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DIRECT MARKETING ASSOCIATION'S

STATISTICAL FACT BOOK

Library &
Resource Center dma

1992/93

STATISTICAL FACT BOOK

DIRECT MARKETING ASSOCIATION, INC.
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The Direct Marketing Association, Inc, is the largest trade association in the direct marketing field with more than 3,500 member companies from the U.S. and 54 foreign nations. Founded in 1917, its members include direct mailers and direct marketers from every consumer and business-to-business segment, as well as the non-profit sector. Included are catalogers, financial services, book and magazine publishers, retail stores, industrial manufacturers, and a host of other vertical segments as well as the service industries that support them.

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PREFACE

The Direct Marketing Association's 1992/93 Statistical Fact Book offers a quantified view of the "state-of-the-industry" for virtually all aspects of direct marketing. Users of direct marketing today are experiencing an explosion of information. The tremendous impact of new technologies is opening up a whole new world of markets and media for direct marketers of any specialty. The Library & Resource Center, the information arm of DMA, functions to broaden awareness and understanding of direct marketing, and to increase the effectiveness and efficiency of its techniques. The Fact Book is designed to provide statistical support to help marketers achieve this goal.

The Library & Resource Center is uniquely positioned to develop, acquire and compile direct marketing data that details the status and direction of the direct response industry. The book is divided according to five broad areas of direct marketing that staff has identified using their extensive working knowledge of the industry:

- Direct Response Advertising
- Media
- Lists/Databases
- Market Applications
- Practical Management Information (including a new chapter this year: International Marketing)

The purpose of this statistical resource is to provide direct marketers easy access to authoritative data that will be helpful in making informed marketing decisions and media choices, in supporting proposed business and marketing strategies, and in making the most cost-effective expenditure decisions. The 470 charts that comprise this year's edition:

- Highlight important media and market growth and usage trends by specific media and markets
- Pinpoint consumer and business attitudes and buying habits concerning direct marketing
- Quantify and compare marketers' outlooks and expectations on key issues
- Provide valuable expenditure, production and operating cost figures
- Identify direct marketers' attitudes, concerns, and policies regarding specific environmental issues.

The 1992/93 Statistical Fact Book is designed not only to provide the latest direct marketing statistics, but also to indicate how the numbers were derived. Most primary research studies used and their sources are listed by title, sample, and respondent size and by type of methodology used. Other sources are recognized by citations within individual sections. In addition, indexes are included for easy access to specific data and sources.

ACKNOWLEDGEMENTS

Acknowledgement is very much deserved by the many individuals and organizations who provided the information and research data that make this book a substantive resource. On an individual basis, each research study, compilation and projection in this book deserves merit. Collectively, they offer a valuable picture of the scope and direction of the direct marketing field.

Two very fine staff members of DMA's Library & Resource Center -- Nilda Castillo and Anthony Giacchetto -- researched and acquired the materials for this edition. Special recognition goes to Richard Spector who helped organize, interpret, and update this year's information, and to both Richard and Anthony for their diligent proofreading support. Gerald Wattley and Sajira Figueroa played key support roles in making sure these materials were processed in an orderly fashion.

All have contributed a service to the direct marketing field as this data will no doubt have applications to all direct marketers and other users of this year's edition.

Allison Cosmedy
Manager
Publications Development
& Marketing

Ann Zeller
Vice President
Information &
Special Projects

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DIRECT RESPONSE ADVERTISING

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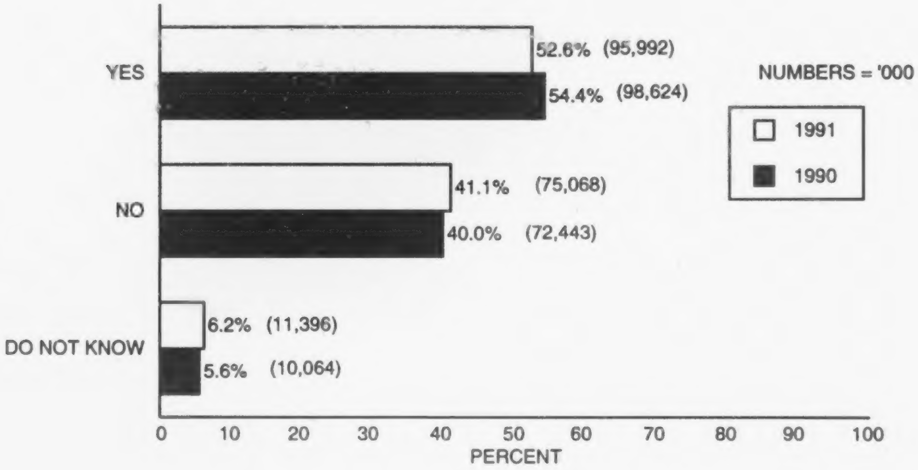
PEOPLE WHO HAVE ORDERED BY MAIL OR PHONE

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990 and 182,456,000 in 1991.

Have you yourself ordered any merchandise by mail or phone in the last 12 months through offers in magazines, newspapers, on television or radio, in catalogs or from direct mail pieces?

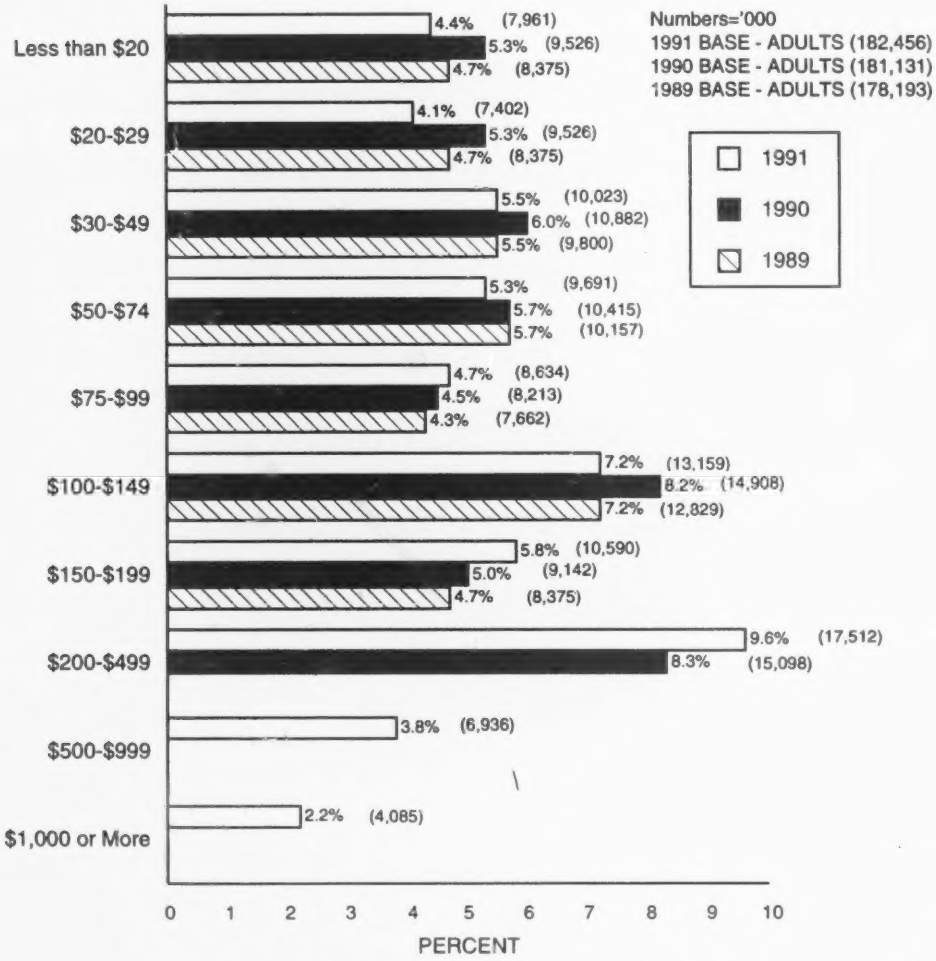


Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets.

TOTAL AMOUNT SPENT ON MERCHANDISE & SERVICES ORDERED BY MAIL OR PHONE

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews.

For the merchandise and services ordered by mail or phone, what is the total amount you yourself spent in the last 12 months?



Note: Results are based on extrapolations made for entire U.S. population base for that year.

Source: Simmons Market Research Bureau: 1989, 1990 and 1991 Study of Media and Markets.

ITEMS ORDERED BY MAIL OR PHONE IN LAST 12 MONTHS

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990, and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire adult U.S. population, estimated to be 181,131,000 in 1990 and 182,456,000 in 1991.

Boldface #'s = 1991
Lightface #'s = 1990

	By Mail or Phone		By Mail		By Phone	
	'000	%	'000	%	'000	%
Auto Accessories	**6,433**	**3.5**	**3,793**	**2.1**	**3,157**	**1.7**
	6,697	3.7	4,446	2.5	3,022	1.7
Cookbooks	**6,539**	**3.6**	**5,907**	**3.2**	**860**	**0.5**
	6,493	3.6	5,917	3.3	627	0.3
Books from Book Clubs	**12,510**	**6.9**	**12,023**	**6.6**	**708**	**0.4**
	11,928	6.6	11,406	6.3	789	0.4
Other Books	**8,229**	**4.5**	**6,729**	**3.7**	**1,930**	**1.1**
	9,147	5.0	8,192	4.5	1,207	0.7
Greeting Cards	**6,646**	**3.6**	**6,266**	**3.4**	**501**	**0.3**
	6,218	3.4	5,738	3.2	535	0.3
Stationery	**4,327**	**2.4**	**3,988**	**2.2**	**361**	**0.2**
	4,529	2.5	4,254	2.3	307	0.2
Cosmetics	**6,392**	**3.5**	**4,996**	**2.7**	**1,611**	**0.9**
	4,668	2.6	3,662	2.0	1,148	0.6
Records	**9,017**	**4.9**	**8,048**	**4.4**	**1,169**	**0.6**
	5,237	2.9	4,448	2.5	1,138	0.6
Prerecorded Audio	**10,340**	**5.7**	**8,807**	**4.8**	**1,932**	**1.1**
Cassette Tapes	11,280	6.2	9,407	5.2	2,166	1.2
Prerecorded Videotapes	**6,048**	**3.3**	**4,873**	**2.7**	**1,392**	**0.8**
	5,049	2.8	3,994	2.2	1,347	0.7
Stereo Equipment	**1,683**	**0.9**	**860**	**0.5**	**876**	**0.5**
	901	0.5	456	0.3	491	0.3
Computer Hardware	**1,782**	**1.0**	**776**	**0.4**	**1,116**	**0.6**
	1,802	1.0	902	0.5	1,019	0.6
Computer Software	**5,977**	**3.3**	**5,161**	**2.8**	**1,839**	**1.0**
	6,450	3.6	5,824	3.2	1,728	1.0
Other Electronic	**2,363**	**1.3**	**1,404**	**0.8**	**1,011**	**0.6**
Equipment	2,413	1.3	1,456	0.8	986	0.5
Magazines	**30,551**	**16.7**	**28,374**	**15.6**	**2,864**	**1.6**
	30,399	16.8	27,946	15.4	3,562	2.0
Photo Processing	**5,477**	**3.0**	**5,255**	**2.9**	**228**	**0.1**
	5,893	3.3	5,704	3.1	189	0.1
Food	**5,775**	**3.2**	**4,835**	**2.7**	**3,901**	**2.1**
	4,859	2.7	3,381	1.9	2,543	1.4
Shoes or Boots	**9,450**	**5.2**	**6,312**	**3.5**	**3,807**	**2.1**
	9,705	5.4	6,273	3.5	3,972	2.2
Costume Jewelry	**6,682**	**3.7**	**5,067**	**2.8**	**1,956**	**1.1**
	5,530	3.1	3,904	2.2	1,840	1.0
Clothing	**54,450**	**29.8**	**42,967**	**23.5**	**38,407**	**21.0**
	49,757	27.5	31,552	17.4	32,839	18.1
Curtains, Bedspreads,	**10,466**	**5.7**	**6,186**	**3.4**	**4,825**	**2.6**
Linen	9,028	5.0	5,022	2.8	4,400	2.4
Needlecraft Kits and	**4,854**	**2.7**	**4,294**	**2.4**	**788**	**0.4**
Supplies	4,453	2.5	4,104	2.3	420	0.2

ITEMS ORDERED BY MAIL OR PHONE IN LAST 12 MONTHS

(CONTINUED FROM PAGE 4)

Boldface #'s = 1991
Lightface #'s = 1990

	By Mail or Phone		By Mail		By Phone	
	'000	%	'000	%	'000	%
Dolls (Collectible Type)	**2,093**	**1.1**	**1,634**	**0.9**	**523**	**0.3**
	2,438	1.3	1,782	1.0	821	0.5
Toys	**7,884**	**4.3**	**5,085**	**2.8**	**3,251**	**1.8**
	8,892	4.9	6,233	3.4	3,221	1.8
Sporting Goods	**5,390**	**3.0**	**3,354**	**1.8**	**2,320**	**1.3**
	8,408	4.6	4,721	2.6	5,525	3.1
Gardening Equipment/Tools	**2,524**	**1.4**	**1,764**	**1.0**	**796**	**0.4**
	2,826	1.6	2,361	1.3	594	0.3
Workshop Tools	**3,710**	**2.0**	**2,365**	**1.3**	**1,586**	**0.9**
	3,825	2.1	2,538	1.4	1,578	0.9
Coins (Numismatic)	**1,501**	**0.8**	**1,271**	**0.7**	**372**	**0.2**
	1,726	1.0	1,570	0.9	222	0.1
Medallions, Commemorative	**1,086**	**0.6**	**985**	**0.5**	**166**	**0.1**
Plates, etc.	1,139	0.6	1,012	0.6	127	0.1
Figurines (Porcelain,	**2,850**	**1.6**	**2,527**	**1.4**	**405**	**0.2**
Pewter, Bronze, etc.)	2,366	1.3	2,010	1.1	418	0.2
Furniture	**2,336**	**1.3**	**1,213**	**0.7**	**1,204**	**0.7**
	2,453	1.4	1,126	0.6	1,446	0.8
Cookware and Kitchen	**7,183**	**3.9**	**5,155**	**2.8**	**2,357**	**1.3**
Accessories	7,445	4.1	5,733	3.2	2,231	1.2
Small Appliances	**3,490**	**1.9**	**2,220**	**1.2**	**1,449**	**0.8**
	2,956	1.6	2,151	1.2	897	0.5
Banking Information	**2,790**	**1.5**	**1,515**	**0.8**	**1,505**	**0.8**
	2,714	1.5	1,476	0.8	1,410	0.8
Stocks, Bonds, Mutual Funds	**2,175**	**1.2**	**1,082**	**0.6**	**1,327**	**0.7**
	2,715	1.5	1,609	0.9	1,384	0.8
Investment Information/	**1,624**	**0.9**	**1,303**	**0.7**	**378**	**0.2**
Newsletter	1,678	0.9	1,236	0.7	518	0.3
Credit Cards	**8,225**	**4.5**	**6,923**	**3.8**	**1,899**	**1.0**
	8,475	4.7	7,297	4.0	1,552	0.9
Insurance	**3,308**	**1.8**	**2,349**	**1.3**	**1,100**	**0.6**
	3,428	1.9	2,205	1.2	1,472	0.8
Real Estate Information	**1,746**	**1.0**	**1,043**	**0.6**	**806**	**0.4**
	2,123	1.2	1,373	0.8	805	0.4
Travel Information	**9,871**	**5.4**	**6,940**	**3.8**	**3,983**	**2.2**
	10,572	5.8	6,917	3.8	4,752	2.6
Educational Programs	**2,741**	**1.5**	**2,091**	**1.1**	**846**	**0.5**
	2,129	1.2	1,831	1.0	342	0.2
Trees, Plants, Seeds	**9,350**	**5.1**	**8,393**	**4.6**	**1,110**	**0.6**
	9,504	5.2	8,802	4.9	910	0.5
Vitamins	**4,211**	**2.3**	**3,443**	**1.9**	**977**	**0.5**
	3,966	2.2	3,407	1.9	705	0.4
Other Items (not listed)	**15,713**	**8.6**	**11,718**	**6.4**	**5,700**	**3.1**
	14,838	8.2	10,611	5.9	5,964	3.3
None			**13,820**	**7.6**	**35,831**	**19.6**
			14,124	7.8	36,300	20.0
Do Not Know	**5,120**	**2.8**	**5,348**	**2.9**	**8,071**	**4.4**
	9,054	5.0	9,170	5.1	11,578	6.4

Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets

TOTAL POPULATION ORDERING VIA MAIL OR TELEPHONE 1991 VS. 1990

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results were then projected to reflect the entire U.S. population. The statistics below represent consumers' "yes" responses to the *general* question: Have you yourself ordered any merchandise or services by *mail* or *phone* in the LAST 12 MONTHS from offers in magazines, newspapers, television, radio, catalogs or direct mail pieces?

	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	1991 Total U.S. (000)	1991 Total U.S. Buyers (000)	% Any Product	% Change from 1990 to 1991 Total Buyers	Total Change In Mail or Telephone Buyers 1990—1991 (000)
Total Adults	181,131	98,624	54.4	182,456	95,992	52.6	-2.7%	-2,632
Males	86,476	41,582	48.1	87,118	40,255	46.2	-3.2%	-1,327
Females	94,655	57,043	60.3	95,338	55,737	58.5	-2.9%	-1,306
18—24	25,507	11,842	46.4	25,530	11,357	44.5	-4.1%	-485
25—34	43,858	25,155	57.4	44,118	22,980	52.1	-8.6%	-2,175
35—44	36,206	21,957	60.6	37,521	22,190	59.1	+1.1%	+233
45—54	24,795	14,180	57.2	25,346	14,426	56.9	+1.7%	+246
55—64	21,496	11,671	54.3	21,009	12,310	58.6	+5.5%	+639
65 Or Older	29,268	13,820	47.2	28,934	12,730	44.0	-7.9%	-1,090
Graduated College	34,578	22,770	65.9	35,347	21,821	61.7	-4.2%	-949
Attended College	33,812	20,551	60.8	35,167	20,563	58.5	+0.5%	+12
Graduated High School	71,180	39,265	55.2	70,823	37,744	53.3	-3.9%	-1,521
Did Not Graduate High School	41,560	16,039	38.6	41,119	15,865	38.6	-1.1%	-174
Professional/Manager	31,879	21,499	67.4	31,819	20,165	63.4	-6.2%	-1,334
Tech/Clerical/Sales	37,678	22,934	60.9	39,581	23,409	59.1	+2.1%	+475
Precision/Craft	14,826	7,108	47.9	14,839	6,942	46.8	-2.3%	-166
Other Employed	35,775	17,815	49.8	39,001	18,960	48.6	+6.4%	+1,145
Single	39,788	19,012	47.8	40,179	17,392	43.3	-8.5%	-1,620
Married	108,473	64,139	59.1	108,808	62,881	57.8	-1.9%	-1,258
Divorced/Separated/Widowed	32,870	15,473	47.1	33,469	15,719	47.0	+1.6%	+246
Parents	60,843	35,925	59.0	60,855	34,648	56.9	-3.6%	-1,277
Northeast—Census	38,551	21,260	55.1	38,593	19,675	51.0	-7.5%	-1,585
Midwest	44,079	27,410	62.2	44,281	27,446	62.0	+0.1%	+36
South	62,458	32,138	51.5	62,591	31,765	50.8	-1.2%	-373
West	36,042	17,816	49.4	36,991	17,107	46.2	-3.9%	-709
Household Income								
$75,000 or More	N/A	N/A	N/A	21,409	13,601	63.5	N/A	N/A
$60,000 or More	31,937	20,858	65.3	36,836	23,133	62.8	+10.9%	+2,275
$50,000 or More	47,508	30,721	64.7	53,155	32,827	61.8	+6.9%	+2,106
$40,000 or More	68,804	43,567	63.3	75,291	46,006	61.1	+5.6%	+2,439
$30,000 or More	96,864	60,191	62.1	102,396	61,323	59.9	+1.9%	+1,132
$30,000—$39,999	28,060	16,624	59.2	27,105	15,318	56.5	-7.9%	-1,306
$20,000—$29,999	30,796	16,636	54.0	30,317	15,656	51.6	-5.9%	-980
$10,000—$19,999	32,038	14,782	46.1	29,855	12,608	42.2	-14.7%	-2,174
Under $10,000	21,433	7,016	32.7	19,888	6,405	32.2	-8.7%	-611
Household Size								
1 Person	23,081	10,305	44.6	23,383	10,023	42.9	-2.7%	-282
2 People	59,128	32,294	54.6	59,547	30,476	51.2	-5.6%	-1,818
3 or 4 People	73,074	41,270	56.5	72,643	41,217	56.7	-0.1%	-53
5 or More People	25,847	14,755	57.1	26,884	14,276	53.1	-3.2%	-479
Children								
No Child in Household	108,398	56,849	52.4	109,702	55,659	50.7	-2.1%	-1,190
Children Under 2 Years	15,433	8,584	55.6	15,048	7,899	52.5	-7.9%	-685
2—5 Years	25,280	14,838	58.7	25,473	14,145	55.5	-4.7%	-693
6—11 Years	33,718	19,743	58.6	34,011	18,524	54.5	-6.2%	-1,219
12—17 Years	32,401	18,557	57.3	33,774	18,771	55.6	+1.2%	+214
Residence Owned	124,240	73,671	59.3	124,747	72,125	57.8	-2.1%	-1,546
Value: $70,000 or More	66,423	41,465	62.4	69,554	42,909	61.7	+3.5%	+1,444
Less than $70,000	57,817	32,205	55.7	55,193	29,217	52.9	-9.3%	-2,988

Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets.

MAIL AND PHONE ORDERS

AMOUNT SPENT ON ALL MERCHANDISE AND SERVICES ORDERED IN LAST 12 MONTHS

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990 and 182,456,000 in 1991.

Boldface #'s = 1991
Lightface #'s = 1990

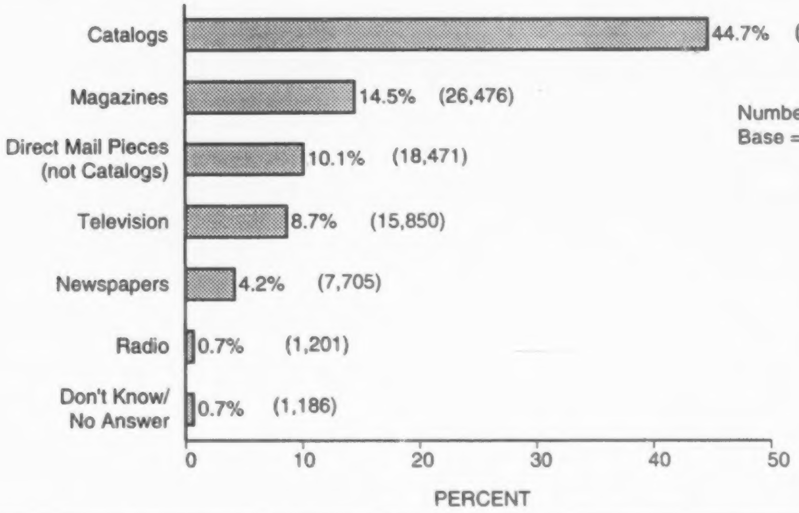
	Total U.S. '000	Ordered by Mail or Phone in last 12 months '000	%	Less than $75* '000	%	$75—$199** '000	%	$200 or More*** '000	%
Total Adults	**182,456**	**95,992**	**52.6**	**35,077**	**19.2**	**32,383**	**17.7**	**28,533**	**15.6**
	181,131	98,624	54.4	29,071	16.0	33,536	18.5	36,018	19.9
Males	**87,118**	**40,255**	**46.2**	**14,292**	**16.4**	**13,283**	**15.2**	**12,680**	**14.6**
	86,476	41,582	48.1	12,404	14.3	13,143	15.2	16,034	18.5
Females	**95,338**	**55,737**	**58.5**	**20,785**	**21.8**	**19,100**	**20.0**	**15,853**	**16.6**
	94,655	57,043	60.3	16,667	17.6	20,393	21.5	19,984	21.1
18—24	**25,530**	**11,357**	**44.5**	**4,744**	**18.6**	**3,843**	**15.1**	**2,770**	**10.8**
	25,507	11,842	46.4	3,941	15.5	4,103	16.1	3,797	14.9
25—34	**44,118**	**22,980**	**52.1**	**8,714**	**19.8**	**7,672**	**17.4**	**6,595**	**14.9**
	43,858	25,155	57.4	7,458	17.0	8,507	19.4	9,190	21.0
35—44	**37,521**	**22,190**	**59.1**	**7,028**	**18.7**	**7,712**	**20.6**	**7,451**	**19.9**
	36,206	21,957	60.6	5,739	15.9	6,706	18.5	9,513	26.3
45—54	**25,346**	**14,426**	**56.9**	**5,232**	**20.6**	**4,771**	**18.8**	**4,422**	**17.4**
	24,795	14,180	57.2	4,007	16.2	4,557	18.4	5,616	22.6
55—64	**21,009**	**12,310**	**58.6**	**4,122**	**19.6**	**3,842**	**18.3**	**4,346**	**20.7**
	21,496	11,671	54.3	3,285	15.3	4,579	21.3	3,807	17.7
65 or older	**28,934**	**12,730**	**44.0**	**5,237**	**18.1**	**4,543**	**15.7**	**2,950**	**10.2**
	29,268	13,820	47.2	4,640	15.9	5,084	17.4	4,096	14.0
Northeast-Census	**38,593**	**19,675**	**51.0**	**6,866**	**17.8**	**6,588**	**17.1**	**6,221**	**16.1**
	38,551	21,260	55.1	4,613	12.0	6,429	16.7	10,219	26.5
Midwest	**44,281**	**27,446**	**62.0**	**10,029**	**22.6**	**9,321**	**21.0**	**8,095**	**18.3**
	44,079	27,410	62.2	7,871	17.9	9,843	22.3	9,696	22.0
South	**62,591**	**31,765**	**50.8**	**13,215**	**21.1**	**10,449**	**16.7**	**8,101**	**12.9**
	62,458	32,138	51.5	11,991	19.2	10,634	17.0	9,513	15.2
West	**36,991**	**17,107**	**46.2**	**4,967**	**13.4**	**6,025**	**16.3**	**6,116**	**16.5**
	36,042	17,816	49.4	4,596	12.8	6,631	18.4	6,590	18.3
Household income $75,000+	**21,409**	**13,601**	**63.5**	**3,415**	**16.0**	**4,628**	**21.6**	**5,558**	**26.0**
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
$60,000 or more	**36,836**	**23,133**	**62.8**	**6,518**	**17.7**	**7,490**	**20.3**	**9,124**	**24.8**
	31,937	20,858	65.3	4,649	14.6	6,821	21.4	9,388	29.4
$50,000 or more	**53,155**	**32,827**	**61.8**	**9,808**	**18.5**	**10,785**	**20.3**	**12,234**	**23.0**
	47,508	30,721	64.7	6,991	14.7	10,097	21.3	13,632	28.7
$40,000 or more	**75,291**	**46,006**	**61.1**	**14,355**	**19.1**	**15,174**	**20.2**	**16,477**	**21.9**
	68,804	43,567	63.3	10,418	15.1	14,282	20.8	18,868	27.4
$30,000 or more	**102,396**	**61,323**	**59.9**	**19,934**	**19.5**	**20,324**	**19.8**	**21,066**	**20.6**
	96,864	60,191	62.1	14,986	15.5	20,088	20.7	25,117	25.9
$30,000—$39,999	**27,105**	**15,318**	**56.5**	**5,579**	**20.6**	**5,150**	**19.0**	**4,589**	**16.9**
	28,060	16,624	59.2	4,569	16.3	5,806	20.7	6,250	22.3
$20,000—$29,999	**30,317**	**15,656**	**51.6**	**6,559**	**21.6**	**5,264**	**17.4**	**3,832**	**12.6**
	30,796	16,636	54.0	5,297	17.2	5,710	18.5	5,629	18.3
$10,000—$19,999	**29,855**	**12,608**	**42.2**	**5,309**	**17.8**	**4,777**	**16.0**	**2,522**	**8.4**
	32,038	14,782	46.1	5,541	17.3	5,242	16.4	3,999	12.5
Under $10,000	**19,888**	**6,405**	**32.2**	**3,274**	**16.5**	**2,018**	**10.1**	**1,113**	**5.6**
	21,433	7,016	32.7	3,247	15.1	2,496	11.6	1,273	5.9

* Heading in 1990 was "Less than $50."
** Heading in 1990 was "$50–$149."
*** Heading in 1990 was "$150 or more."

Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets.

PERCENT OF POPULATION ORDERING MERCHANDISE OR SERVICES BY MEDIUM OF OFFER

If you have ordered merchandise or services by phone or mail in the last 12 months, through which offer did you order? (Check as many as apply.)

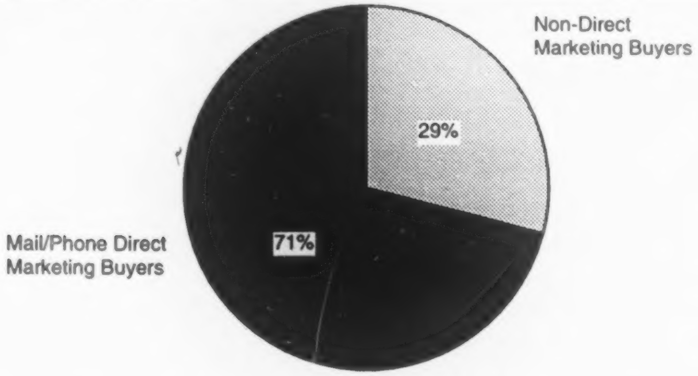


Numbers = '000
Base = 182,456 Adults

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets.

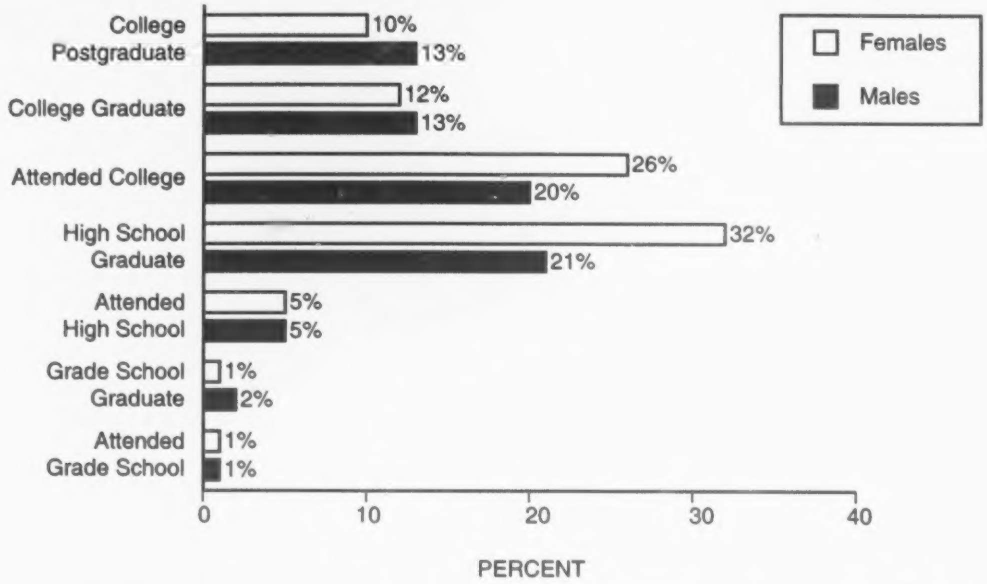
PERCENT OF USA HOUSEHOLDS THAT ARE DIRECT MARKETING BUYERS

A 40,000 national probability sample was surveyed in May, 1991 to determine who buys by mail or telephone. A 75% response rate (30,000 responses) was received. Those sent the survey were asked "Approximately how many times have you bought by mail or telephone in the past 12 months? Please exclude any in-store catalog showroom purchases or magazine subscriptions." A full 71% reported making at least one purchase in the past 12 months.



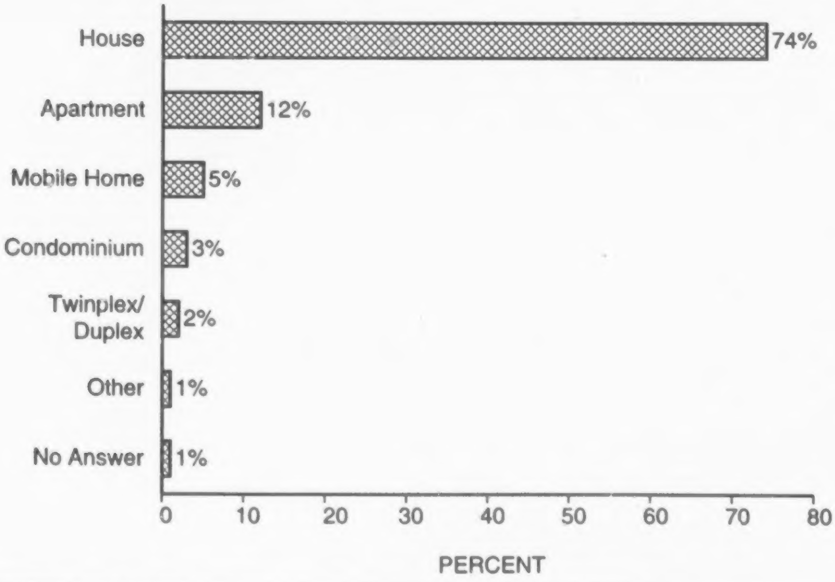
Source: Direct Marketing Research Associates, 1991

POPULATION ORDERING BY MAIL OR PHONE BY EDUCATION



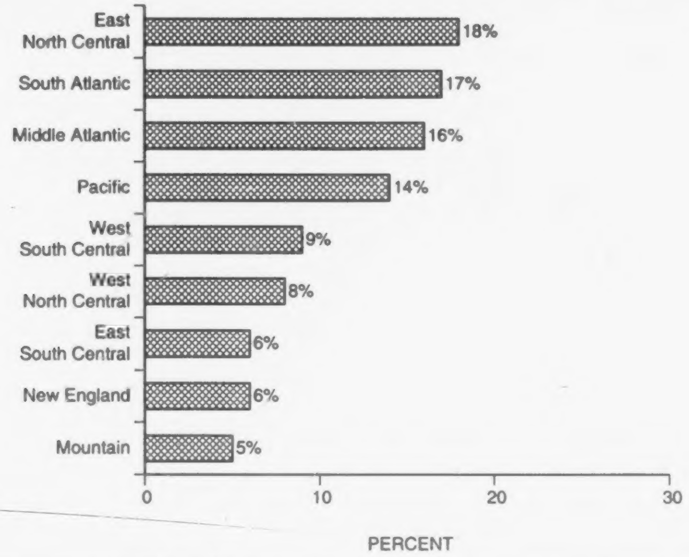
Source: Direct Marketing Research Associates, 1991.

POPULATION ORDERING BY PHONE OR MAIL BY TYPE OF RESIDENCE



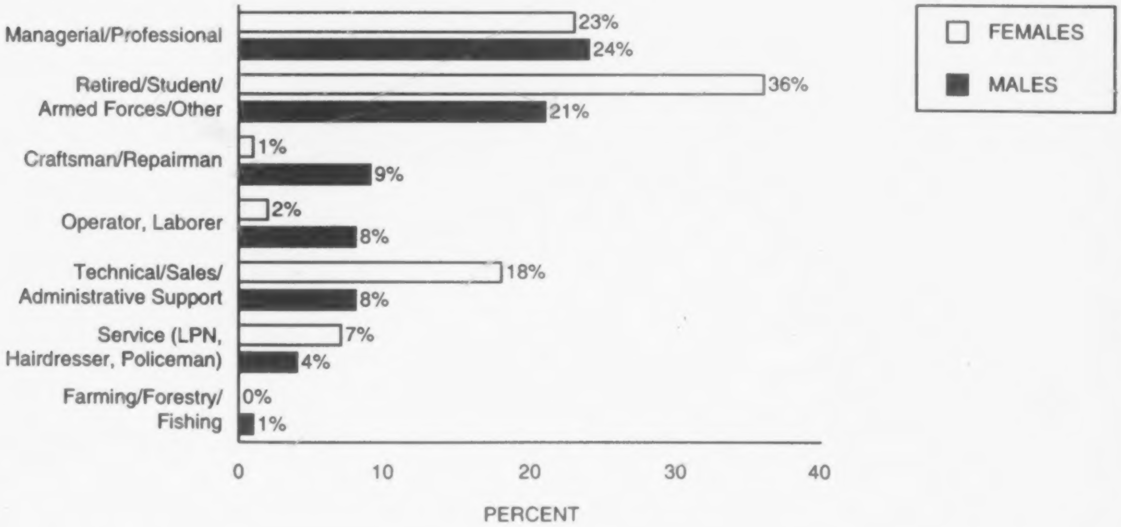
Source: Direct Marketing Research Associates, 1991

POPULATION ORDERING BY PHONE OR MAIL BY GEOGRAPHIC DIVISION



Source: Direct Marketing Research Associates, 1991.

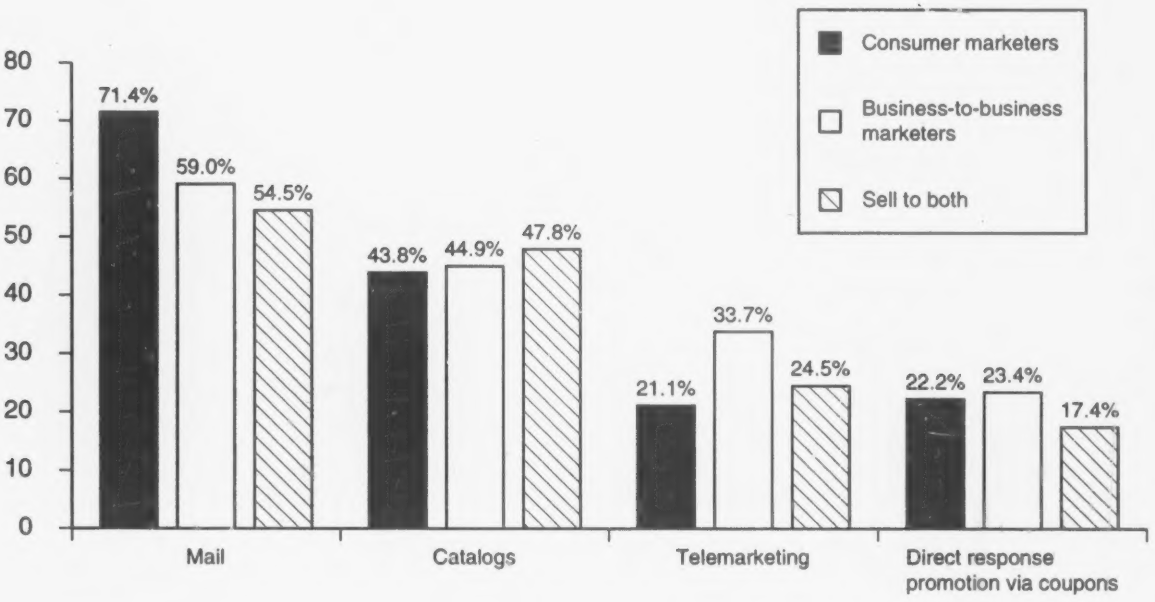
POPULATION ORDERING BY PHONE OR MAIL BY OCCUPATION



Source: Direct Marketing Research Associates, 1991

PERCENTAGE OF DIRECT MARKETING BUDGET* ALLOCATED TO VARIOUS MEDIA

Mail delivers. That's evidenced by the percentage who use it for both consumer and business-to-business marketing. That coupons are used more to market to businesses than to consumers is interesting.

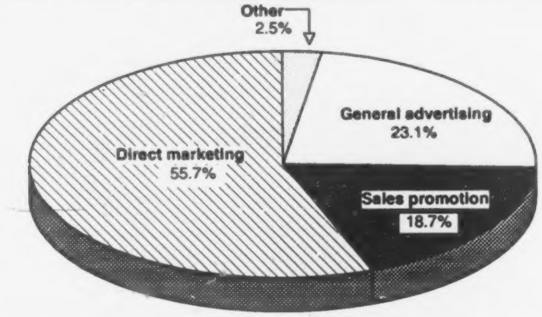


**Among those that use that medium*

Source: *Direct Magazine*, 1991.

SHARE OF MARKETING BUDGET

Direct marketing accounts for more than half of the marketing budget, an impressive figure. Because it offers measurable results, companies are gravitating toward it.

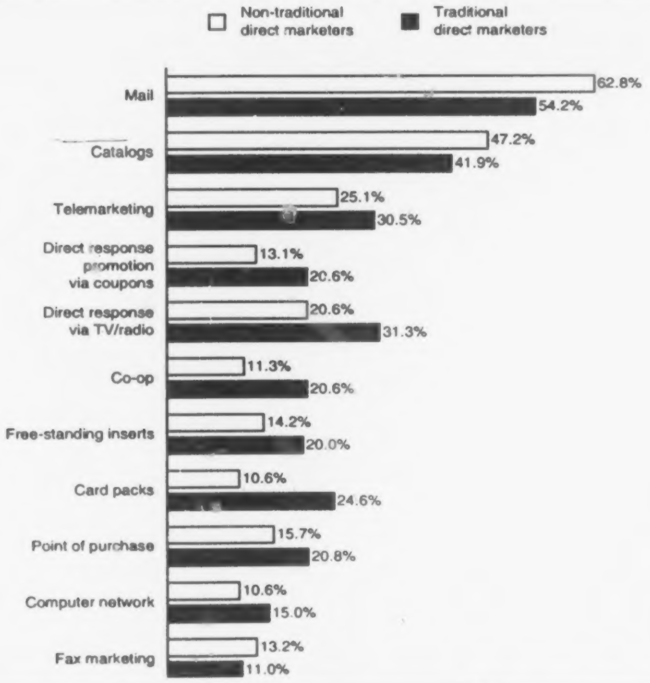


Source: *Direct Magazine*, 1991.

TRADITIONAL/NON-TRADITIONAL SPENDING PATTERNS

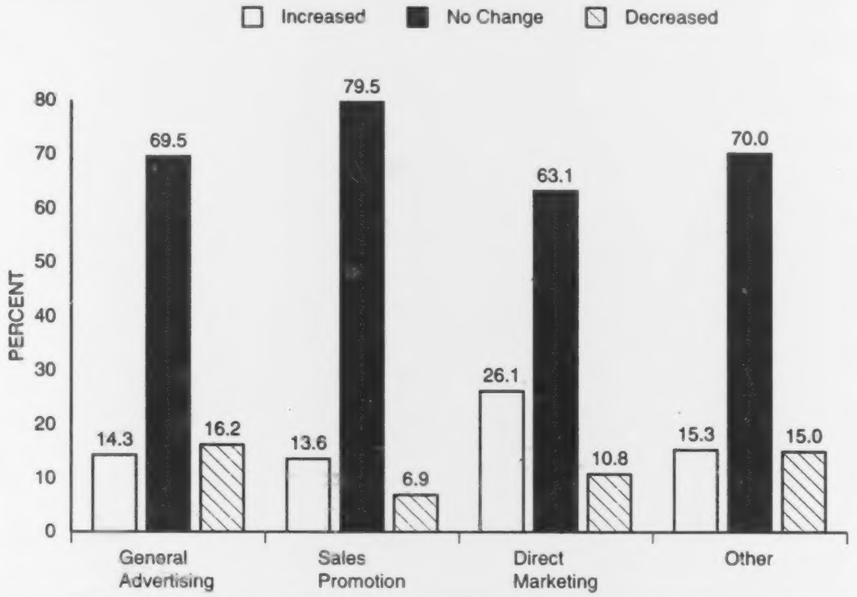
PERCENT OF BUDGET

To determine categories, "traditional" marketers were defined as those that spend 50% or more of the marketing budget on direct techniques, and "non-traditional" were defined as those that spend less than half of the budget on direct response media. Only the answers of those who said they use that particular media were used, so the percentages do not add up to 100.



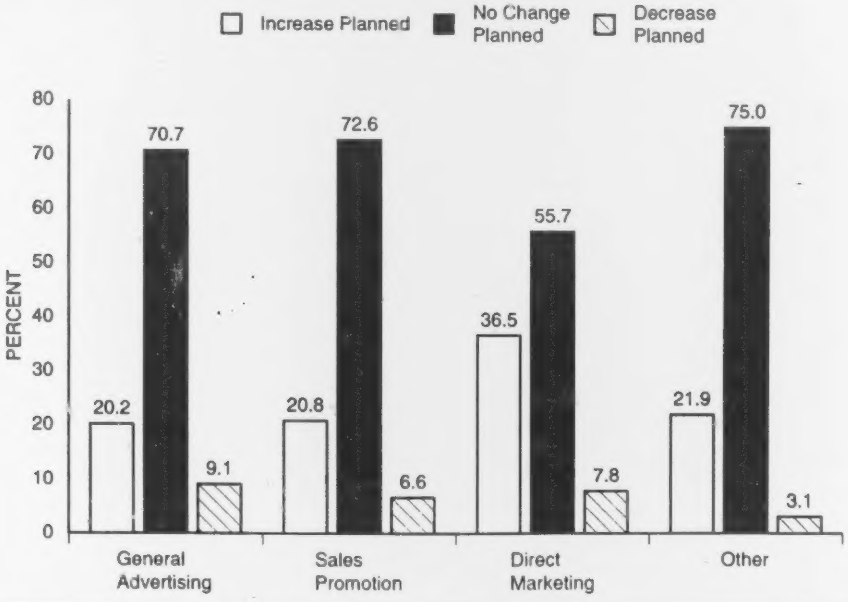
Source: *Direct Magazine*, 1991.

MARKETING EXPENDITURES DURING THE PAST 12 MONTHS



Source: *Direct Magazine*, 1991.

EXPENDITURES FOR THE NEXT 12 MONTHS



Source: *Direct Magazine*, 1991.

1992 DIRECT RESPONSE ADVERTISING SALARIES

Crandall Associates, Inc. have determined the salaries by the following process: 1) Discussion with employers, from presidents to personnel officers throughout the country, in companies varying in geographic areas, number of employees, and sales volume. 2) Personal interviews and discussions with professionals in Direct Marketing at all salary levels, working from coast to coast. 3) Analysis of information collected as a result of discussions with potential candidates nationally, with adjustments made for the "fudge" factor.

Position Title And Description	**Years Exp.**	**Base Salary Range (excluding benefits)**		**Highest Reported Salary**
AGENCY ACCOUNT EXECUTIVE: Liaison with clients, development of marketing, media, copy and art to secure client's goals within budget.	1—3	$22,000	$28,000	$66,000
	4—7	$26,000	$37,000	
	7+	$35,000	$41,000	
AGENCY ACCOUNT SUPERVISOR: Manages account executives, develops new business programs and helps guide the agency's course.	1—3	$38,000	$44,000	$90,000
	4—7	$42,000	$51,000	
	7+	$48,000	$63,000	
ART DIRECTOR/Catalog: Sets graphic tone, color, format, type, photography, images and paper for maximum sales at minimum cost.	1—3	$24,000	$30,000	$78,000
	4—7	$28,000	$38,000	
	7+	$36,000	$41,000	
COPYWRITER/Catalog: Able to write copy that sparkles and accurately sells products, generally in very limited space on the page.	1—3	$24,000	$30,000	$57,000
	4—7	$28,000	$37,000	
	7+	$35,000	$41,000	
CREATIVE DIRECTOR/Agency: With account group, uses talent and experience to develop copy and graphics for the agency's clients.	1—3	$44,000	$56,000	$132,000
	4—7	$54,000	$64,000	
	7+	$62,000	$75,000	
CREATIVE DIRECTOR/Corporate: Guides staff in developing art and copy capabilities for creative communications with customers.	1—3	$41,000	$49,000	$125,000
	4—7	$47,000	$52,000	
	7+	$50,000	$56,000	
MARKETING DIRECTOR/Consumer Products: Profit and loss responsibility and leads product managers in strategic planning and sales.	1—3	$49,000	$60,000	$255,000
	4—7	$58,000	$73,000	
	7+	$71,000	$85,000	
MARKETING/Business Product Manager: Promotes products or services to defined and targeted commercial markets, and analyzes success of marketing programs.	1—3	$30,000	$37,000	$125,000
	4—7	$35,000	$44,000	
	7+	$42,000	$50,000	
MARKETING/Consumer Product Manager: Responsible for positioning, sales and creative strategy for maximum penetration of market.	1—3	$33,000	$40,000	$150,000
	4—7	$38,000	$47,000	
	7+	$45,000	$56,000	
PRODUCTION MANAGER: Knows about processes, particularly printing, to buy or produce materials, with emphasis on costs and quality.	1—3	$27,000	$34,000	$77,000
	4—7	$32,000	$41,000	
	7+	$39,000	$47,000	

Source: Crandall Associates, Inc. 1992.

MEDIA UNIT* COST TRENDS
(1982—84 = 100)

	1986	1987	1988	1989	1990	1991	1992
NEWSPAPERS	125	133	142	151	157	163	171
MAGAZINES	122	126	134	141	149	159	167
NETWORK TV	124	128	133	140	143	137	141
SPOT TV	123	127	131	135	139	133	141
NETWORK RADIO	126	123	121	133	136	140	148
SPOT RADIO	118	116	121	128	134	134	141
OUTDOOR	124	129	134	141	145	148	154
DIRECT MAIL	108	111	120	126	130	139	143
COMPOSITE	120	125	134	139	144	147	154

*A unit in the various media listed includes a single black-and-white page for newspapers, a four-color ad for magazines, 30-second spots for network and spot TV, one-minute spots for network and spot radio, a 100 showing in outdoor (100 GRPs, which is the reach and frequency of x-amount of boards per day), and 25,000 pieces of direct mail.

GRP = Gross Rating Points
= The sum of the ratings for a series of programs which makes it possible to compare the relative magnitude of advertisers' schedules.
– One rating point equals 1% of the households in a market.

Media Unit Cost—Lets you rank on a per unit basis and then compare the media.

Source: Robert J. Coen, McCann-Erickson 1992.

ESTIMATED 1990—1991 U.S. AD VOLUME

On a national basis, only cable and syndicated TV, along with network radio and direct mail experienced an increase in ad volume for 1991. Locally, only cable TV had an increase.

	1990 ($ MILLIONS)	1991 ($ MILLIONS)	% Change
NATIONAL			
NEWSPAPERS	3,867	3,685	-4.7
MAGAZINES	6,803	6,524	-4.1
NETWORK TV	9,383	8,933	-4.8
SPOT TV	7,788	7,110	-8.7
CABLE TV	1,393	1,521	+9.2
SYNDICATED TV	1,589	1,853	+16.6
NETWORK RADIO	482	490	+1.7
SPOT RADIO	1,635	1,575	-3.7
OUTDOOR	640	637	-0.5
DIRECT MAIL	23,370	24,460	+4.7
OTHER NATIONAL MEDIA	15,830	15,847	+0.1
TOTAL NATIONAL ADVERTISING	72,780	72,635	-0.2
LOCAL			
NEWSPAPERS	28,414	26,724	-5.9
LOCAL TV	7,856	7,565	-3.7
CABLE TV	396	420	+6.1
LOCAL RADIO	6,609	6,411	-3.0
OUTDOOR	444	440	-0.9
OTHER LOCAL MEDIA	12,141	12,205	+0.5
TOTAL LOCAL ADVERTISING	55,860	53,765	-3.8
TOTAL ALL ADVERTISING	128,640	126,400	-1.7

Source: Robert J. Coen, McCann-Erickson 1992.

GROWTH OF ADVERTISING SPENDING, 1987–1996

Year	Direct Mail	Yellow Pages	Weekly Newspapers	Outdoor	Other*	Total
1987	11.5%	12.3%	0.8%	4.1%	5.8%	9.1%
1988	10.5	6.6	11.6	3.8	7.3	8.8
1989	3.9	6.7	14.3	4.4	4.6	5.2
1990	6.5	7.5	6.7	-2.4	2.3	5.4
1991	4.0	3.1	-2.8	-0.8	-0.6	2.1
1992	5.5	4.5	5.0	2.3	2.5	4.5
1993	6.9	8.0	6.5	3.6	4.4	6.4
1994	11.5	9.5	9.9	4.4	8.6	10.2
1995	9.5	8.5	8.0	4.2	7.6	8.7
1996	8.5	7.9	7.5	4.0	6.3	7.7
Compound Annual Growth						
1986–91	7.2	7.2	5.9	1.8	3.9	6.1
1991–96	8.4	7.7	7.4	3.7	5.8	7.5

*Includes farm publications, transit poster displays, sports/event/collegiate sponsorships, and other formats.

Source: Veronis, Suhler & Associates, Wilkofsky Gruen Associates, 1992.

SHARE OF ADVERTISING SPENDING, 1986–1996

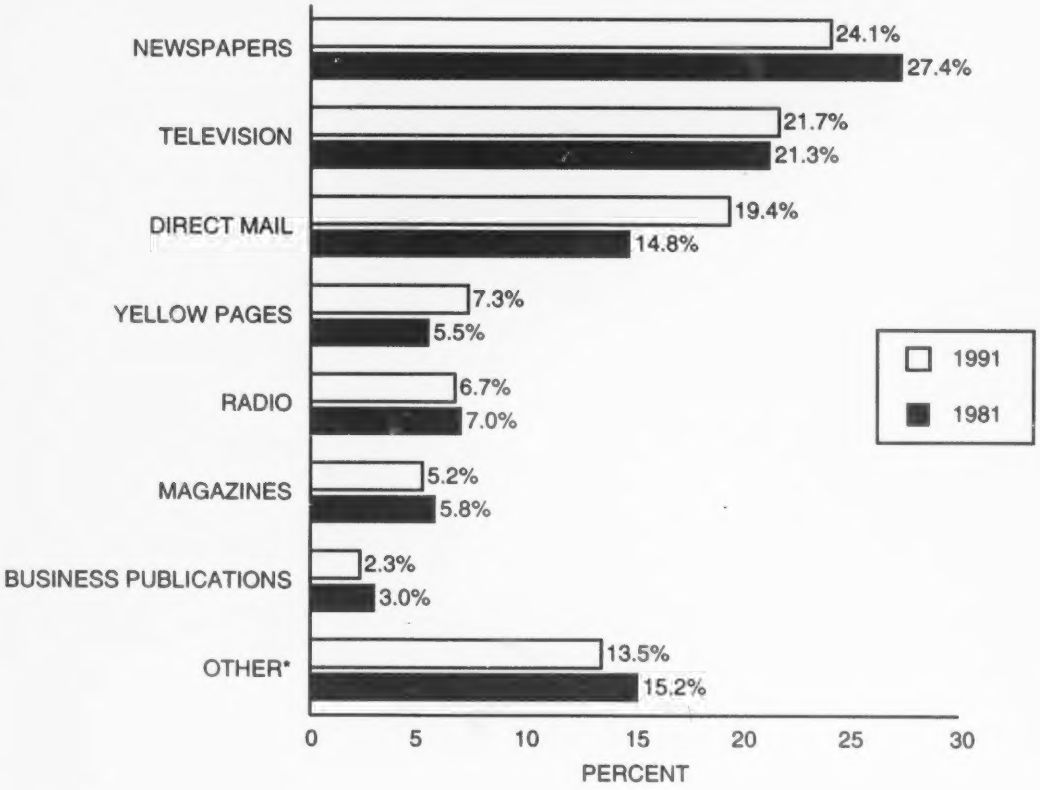
Year	Direct Mail	Yellow Pages	Weekly Newspapers	Outdoor	Other*
1986	45.6%	17.3%	6.4%	2.6%	28.1%
1987	46.5	17.8	5.9	2.5	27.3
1988	47.3	17.4	6.0	2.4	26.9
1989	46.7	17.6	6.6	2.4	26.7
1990	47.2	18.0	6.6	2.2	26.0
1991	48.1	18.2	6.3	2.1	25.3
1992	48.5	18.2	6.4	2.1	24.8
1993	48.8	18.5	6.4	2.0	24.3
1994	49.4	18.4	6.3	1.9	24.0
1995	49.7	18.4	6.3	1.8	23.8
1996	50.1	18.4	6.3	1.8	23.4

*Includes farm publications, transit poster displays, sports/event/collegiate sponsorships, and other formats.

Source: Veronis, Suhler & Associates, Wilkofsky Gruen Associates, 1992

PERCENTAGE OF ALL ADVERTISING SPENDING GOING TO EACH MEDIA: 1991 VS 1981

Direct mail is still the third largest media.



*Includes farm publications, outdoor advertising, and miscellaneous media.

Source: McCann-Erickson, 1992.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1983—1991
(IN MILLIONS OF DOLLARS)

	1983	1984	1985	1986	1987	1988	1989	1990	1991
NEWSPAPERS									
TOTAL	20,582	23,522	25,170	26,990	29,412	31,197	32,368	32,281	30,409
NATIONAL	2,734	3,081	3,352	3,376	3,494	3,586	3,704	3,867	3,685
LOCAL	17,848	20,441	21,818	23,614	25,918	27,611	28,664	28,414	26,724
MAGAZINES									
TOTAL	4,253	4,932	5,155	5,317	5,607	6,072	6,716	6,803	6,524
WEEKLIES	1,917	2,224	2,297	2,327	2,445	—	—	—	2,670
WOMEN'S	1,056	1,209	1,294	1,376	1,417	—	—	—	1,671
MONTHLIES	1,260	1,499	1,564	1,614	1,745	—	—	—	2,183
FARM PUBLICATIONS	163	181	186	192	196	196	212	215	215
TELEVISION									
TOTAL	16,759	19,848	21,022	22,881	23,904	25,686	26,891	28,405	27,402
THREE NETWORKS	6,955	8,318	8,060	8,342	8,500	9,172	9,110	9,383	8,933
CABLE NETWORKS	282	458	594	676	760	942	1,197	1,393	1,521
SYNDICATION (NAT'L)	300	420	520	600	762	901	1,288	1,589	1,853
SPOT (NAT'L)	4,827	5,488	6,004	6,570	6,846	7,147	7,354	7,788	7,110
SPOT (LOCAL)	4,345	5,084	5,714	6,514	6,833	7,270	7,612	7,856	7,565
CABLE (NON-NETWORK)	50	80	130	179	203	254	330	396	420
RADIO									
TOTAL	5,210	5,817	6,490	6,949	7,206	7,798	8,323	8,726	8,476
NETWORK	296	320	365	423	413	425	476	482	490
SPOT (NAT'L)	1,038	1,197	1,335	1,348	1,330	1,418	1,547	1,635	1,575
SPOT (LOCAL)	3,876	4,300	4,790	5,178	5,463	5,955	6,300	6,609	6,411
YELLOW PAGES									
TOTAL	4,400	4,900	5,800	6,500	7,300	7,781	8,330	8,926	9,182
NATIONAL	489	580	695	759	830	944	1,011	1,132	1,162
LOCAL	3,911	4,320	5,105	5,741	6,470	6,837	7,319	7,794	8,020
DIRECT MAIL	11,795	13,800	15,500	17,145	19,111	21,115	21,945	23,370	24,460
BUSINESS PUBLICATIONS	1,990	2,270	2,375	2,382	2,458	2,610	2,763	2,875	2,882
OUTDOOR									
TOTAL	794	872	945	985	1,025	1,064	1,111	1,084	1,077
NATIONAL	512	562	610	600	615	628	653	640	637
LOCAL	282	310	335	385	410	436	458	444	440
MISCELLANEOUS									
TOTAL	9,924	11,678	12,107	12,799	13,431	14,531	15,271	15,955	15,773
NATIONAL	6,911	8,083	8,604	9,120	9,703	10,454	10,998	11,608	11,588
LOCAL	3,013	3,595	3,503	3,679	3,728	4,077	4,273	4,347	4,185
TOTAL									
NATIONAL	42,525	49,690	53,355	56,850	60,625	65,610	68,990	72,780	72,635
LOCAL	33,325	38,130	41,395	45,290	49,025	52,440	54,940	55,860	53,765
GRAND TOTAL	75,850	87,820	94,750	102,140	109,650	118,050	123,930	128,640	126,400

Source: Robert J. Coen, McCann-Erickson, Inc., 1992

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1974—1982
(IN MILLIONS OF DOLLARS)

	1974	1975	1976	1977	1978	1979	1980	1981	1982
NEWSPAPERS									
TOTAL	7,842	8,234	9,618	10,751	12,214	13,863	14,794	16,528	17,694
NATIONAL	1,105	1,109	1,342	1,472	1,541	1,770	1,963	2,259	2,452
LOCAL	6,737	7,125	8,276	9,279	10,673	12,093	12,831	14,269	15,242
MAGAZINES									
TOTAL	1,504	1,465	1,789	2,162	2,597	2,932	3,149	3,533	3.710
FARM PUBLICATIONS	72	74	86	90	104	120	130	146	148
TELEVISION									
TOTAL	4,854	5,263	6,721	7,612	8,955	10,154	11,469	12,846	14,636
THREE NETWORKS	2,145	2,306	2,857	3,460	3,975	4,599	5,130	5,540	6,144
CABLE NETWORKS	—	—	—	—	—	—	45	100	181
SYNDICATION (NAT'L)	—	—	—	—	—	—	50	75	150
SPOT (NAT'L)	1,497	1,623	2,154	2,204	2,607	2,873	3,269	3,746	4,364
SPOT (LOCAL)	1,212	1,334	1,710	1,948	2,373	2,682	2,967	3,368	3,765
CABLE (NON-NETWORK)	—	—	—	—	—	—	8	17	32
RADIO									
TOTAL	1,837	1,980	2,330	2,634	3,052	3,310	3,702	4,230	4,670
NETWORK	69	83	105	137	147	161	183	230	255
SPOT (NAT'L)	405	436	518	546	620	665	779	879	923
SPOT (LOCAL)	1,363	1,461	1,707	1,951	2,285	2,484	2,740	3,121	3,492
YELLOW PAGES									
TOTAL	—	—	—	—	—	—	2,900	3,300	3,800
NATIONAL	—	—	—	—	—	—	330	380	433
LOCAL	—	—	—	—	—	—	2,570	2,920	3,367
DIRECT MAIL	4,054	4,124	4,786	5,164	5,987	6,653	7,596	8,944	10,319
BUSINESS PUBLICATIONS	900	919	1,035	1,221	1,400	1,575	1,674	1,841	1,876
OUTDOOR									
TOTAL	309	335	383	418	466	540	578	650	721
NATIONAL	203	220	252	290	307	355	364	419	465
LOCAL	106	115	131	128	159	185	214	231	256
MISCELLANEOUS									
TOTAL	5,248	5,506	6,552	7,388	8,555	9,633	7,558	8,412	9,006
NATIONAL	2,746	2,841	3,431	3,849	4,435	4,992	5,153	5,798	6,365
LOCAL	2,502	2,665	3,121	3,539	4,120	4,641	2,405	2,614	2,641
TOTAL									
NATIONAL	14,700	15,200	18,355	20,595	23,720	26,695	29,815	33,890	37,785
LOCAL	11,920	12,700	14,945	16,845	19,610	22,085	23,735	26,540	28,795
GRAND TOTAL	26,620	27,900	33,300	37,440	43,330	48,780	53,550	60,430	66,580

Source: Robert J. Coen, McCann-Erickson, Inc., 1992

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1965—1973

(IN MILLIONS OF DOLLARS)

	1965	1966	1967	1968	1969	1970	1971	1972	1973
NEWSPAPERS									
TOTAL	4,426	4,865	4,910	5,232	5,714	5,704	6,167	6,938	7,481
NATIONAL	784	887	846	889	943	891	972	1,062	1,049
LOCAL	3,642	3,978	4,064	4,343	4,771	4,813	5,195	5,876	6,432
MAGAZINES	1,161	1,254	1,245	1,283	1,344	1,292	1,370	1,440	1,448
FARM PUBLICATIONS	71	70	68	68	64	62	57	59	65
TELEVISION									
TOTAL	2,515	2,823	2,909	3,231	3,585	3,596	3,534	4,091	4,460
NETWORK	1,237	1,393	1,455	1,523	1,678	1,658	1,593	1,804	1,968
SPOT	892	988	988	1,131	1,253	1,234	1,145	1,318	1,377
LOCAL	386	442	466	577	654	704	796	969	1,115
RADIO									
TOTAL	917	1,010	1,048	1,190	1,264	1,308	1,445	1,612	1,723
NETWORK	60	63	64	63	59	56	63	74	68
SPOT	275	308	314	360	368	371	395	402	400
LOCAL	582	639	670	767	837	881	987	987	1,255
DIRECT MAIL	2,324	2,461	2,488	2,612	2,670	2,766	3,067	3,420	3,698
BUSINESS PAPERS	671	712	707	714	752	740	720	781	865
OUTDOOR									
TOTAL	180	178	191	208	213	234	261	292	308
NATIONAL	120	118	126	137	138	154	172	192	200
LOCAL	60	60	65	71	75	80	89	100	108
MISCELLANEOUS									
TOTAL	2,985	3,257	3,304	3,552	3,814	3,848	4,079	4,577	4,932
NATIONAL	1,745	1,896	1,909	2,020	2,131	2,126	2,201	2,428	2,562
LOCAL	1,240	1,361	1,395	1,532	1,683	1,722	1,878	2,149	2,370
TOTAL									
NATIONAL	9,340	10,150	10,210	10,800	11,400	11,350	11,755	12,980	13,700
LOCAL	5,910	6,480	6,660	7,290	8,020	8,200	8,945	10,230	11,280
GRAND TOTAL	15,250	16,630	16,870	18,090	19,420	19,550	20,700	23,210	24,980

Source: Robert J. Coen, McCann-Erickson, Inc. 1992.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1956—1964

(IN MILLIONS OF DOLLARS)

	1956	1957	1958	1959	1960	1961	1962	1963	1964
NEWSPAPERS									
TOTAL	3,223	3,268	3,176	3,526	3,681	3,601	3,659	3,780	4,120
NATIONAL	754	768	724	773	778	744	722	702	773
LOCAL	2,469	2,500	2,452	2,753	2,903	2,857	2,937	3,078	3,347
MAGAZINES	758	777	734	832	909	895	942	1,002	1,074
FARM PUBLICATIONS	73	71	67	71	66	62	65	66	66
TELEVISION									
TOTAL	1,225	1,286	1,387	1,529	1,627	1,691	1,897	2,032	2,289
NETWORK	643	690	742	776	820	887	976	1,025	1,132
SPOT	329	352	397	486	527	548	629	698	806
LOCAL	253	244	248	267	280	256	292	309	351
RADIO									
TOTAL	567	618	620	656	693	683	736	789	846
NETWORK	60	63	58	44	43	43	46	56	59
SPOT	161	187	190	206	222	220	233	243	256
LOCAL	346	368	372	406	428	420	457	490	531
DIRECT MAIL	1,419	1,471	1,589	1,688	1,830	1,850	1,933	2,078	2,184
BUSINESS PAPERS	496	568	525	569	609	578	597	615	623
OUTDOOR									
TOTAL	201	199	192	193	203	180	171	171	175
NATIONAL	136	134	130	130	137	122	115	115	117
LOCAL	65	65	62	63	66	58	56	56	58
MISCELLANEOUS									
TOTAL	1,948	2,012	2,020	2,206	2,342	2,320	2,430	2,567	2,773
NATIONAL	1,111	1,169	1,184	1,280	1,364	1,366	1,437	1,520	1,630
LOCAL	837	843	836	926	978	954	993	1,047	1,143
TOTAL									
NATIONAL	5,940	6,250	6,340	6,855	7,305	7,315	7,695	8,120	8,720
LOCAL	3,970	4,020	3,970	4,415	4,655	4,545	4,735	4,980	5,430
GRAND TOTAL	9,910	10,270	10,310	11,270	11,960	11,860	12,430	13,100	14,150

Source: Robert J. Coen, McCann-Erickson, Inc 1992

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1948—1955
(IN MILLIONS OF DOLLARS)

	1948	1949	1950	1951	1952	1953	1954	1955
NEWSPAPERS								
TOTAL	1,745	1,911	2,070	2,251	2,464	2,632	2,685	3,077
NATIONAL	379	463	518	529	537	606	607	712
LOCAL	1,366	1,448	1,552	1,722	1,927	2,026	2,078	2,365
MAGAZINES	477	458	478	535	575	627	629	691
FARM PUBLICATIONS	56	55	58	64	70	71	71	72
TELEVISION								
TOTAL	—	58	171	332	454	606	809	1,035
NETWORK	—	30	85	181	256	320	422	550
SPOT	—	9	31	70	94	145	207	260
LOCAL	—	19	55	81	104	141	180	225
RADIO								
TOTAL	562	571	605	606	624	611	559	545
NETWORK	211	203	196	180	162	141	114	84
SPOT	121	123	136	138	141	146	135	134
LOCAL	230	245	273	288	321	324	310	327
DIRECT MAIL	689	756	803	924	1,024	1,099	1,202	1,299
BUSINESS PAPERS	251	248	251	292	365	395	408	446
OUTDOOR								
TOTAL	132	131	142	149	162	176	187	192
NATIONAL	89	88	96	101	109	119	126	130
LOCAL	43	43	46	48	53	57	61	62
MISCELLANEOUS								
TOTAL	958	1,022	1,122	1,267	1,402	1,523	1,600	1,793
NATIONAL	522	557	608	696	767	846	899	1,002
LOCAL	436	465	514	571	635	677	701	791
TOTAL								
NATIONAL	2,795	2,990	3,260	3,710	4,100	4,515	4,820	5,380
LOCAL	2,075	2,220	2,440	2,710	3,040	3,225	3,330	3,770
GRAND TOTAL	4,870	5,210	5,700	6,420	7,140	7,740	8,150	9,150

Source: Robert J. Coen, McCann-Erickson, Inc. 1992.

ESTIMATED ANNUAL U.S. ADVERTISING EXPENDITURES 1940—1947
(IN MILLIONS OF DOLLARS)

	1940	1941	1942	1943	1944	1945	1946	1947
NEWSPAPERS								
TOTAL	815	844	797	899	886	919	1,155	1,471
NATIONAL	161	162	141	180	191	203	238	323
LOCAL	654	682	656	719	695	716	917	1,148
MAGAZINES	186	201	259	—	305	344	405	464
FARM PUBLICATIONS	19	19	18	25	29	32	36	49
TELEVISION								
TOTAL	—	—	—	—	—	—	—	—
NETWORK	—	—	—	—	—	—	—	—
SPOT	—	—	—	—	—	—	—	—
LOCAL	—	—	—	—	—	—	—	—
RADIO								
TOTAL	215	247	260	314	393	424	455	506
NETWORK	113	125	129	157	192	198	200	201
SPOT	42	52	59	71	87	92	98	106
LOCAL	60	70	72	86	114	134	157	199
DIRECT MAIL	334	353	329	322	326	290	334	579
BUSINESS PAPERS	76	89	98	142	177	204	211	233
OUTDOOR								
TOTAL	45	53	44	42	56	72	86	121
NATIONAL	34	37	31	29	39	50	60	79
LOCAL	11	16	13	13	17	22	26	42
MISCELLANEOUS								
TOTAL	420	444	427	487	528	555	658	837
NATIONAL	225	242	228	270	309	327	368	466
LOCAL	195	202	199	217	219	228	290	371
TOTAL								
NATIONAL	1,190	1,280	1,220	1,455	1,655	1,740	1,950	2,500
LOCAL	920	970	940	1,035	1,045	1,100	1,390	1,760
GRAND TOTAL	2,110	2,250	2,160	2,490	2,700	2,840	3,340	4,260

Source: Robert J. Coen, McCann-Erickson, Inc. 1992.

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS

Billings reported by some agencies include production revenue for services such as database, lettershop, printing, etc. performed internally. Those agencies are indicated by footnote (1).

	TOTAL BILLINGS (In Millions)		U.S. BILLINGS (In Millions)		INTERNATIONAL BILLINGS (In Millions)	
AGENCIES	1990	1991	1990	1991	1990	1991
Ogilvy & Mather Direct (2)	821.7	791.1	344.1+	338.2	477.6 +	452.9
Wunderman Worldwide* (3)	567.0	577.2	254.4	241.4	312.6	335.8
Rapp Collins Marcoa (1) (4)	438.8	512.2	208.8 +	260.2	230.0 +	252.0
Kobs & Draft Advertising, Inc. (5)	300.2	357.3	134.3	155.9	165.9	201.4
FCB/Direct (1)	314.3	316.1	214.3	216.1	100.0	100.0
Grey Direct International	206.7	227.0	120.0	125.0	86.7	102.0
Bronner Slosberg Humphrey, Inc.*	127.2	223.4	127.2	223.4	N/A	N/A
McCann Direct	190.0	190.0	45.0	58.4	145.0	131.6
DIMAC Direct (1) (6)	107.8	138.8	107.8	138.8	N/A	N/A
The Direct Marketing Group, Inc. (1)	146.2	131.9	146.2	131.9	N/A	N/A
Barry Blau & Partners, Inc.* (7)	101.0	127.0	101.0	127.0	N/A	N/A
Chapman Direct Advertising *	100.1	113.2	100.1	113.2	N/A	N/A
Devon Direct Marketing & Advertising, Inc.*	94.2	99.1	94.2	99.1	N/A	N/A
Pearson Paul Haworth Nolan (United Kingdom)* (1)	84.1	98.4	N/A	N/A	84.1	98.4
Customer Development Corporation (1)	76.8	91.1	76.8	91.1	N/A	N/A
J. Walter Thompson Direct	23.7	88.7	23.7	30.2	N/A	58.5
Russ Reid Company (8)	79.6	77.1	79.6	77.1	N/A	N/A
Ross Roy, Inc. (1)	42.2	63.2	42.2	63.2	N/A	N/A
Saatchi & Saatchi Direct/CMS (1)	65.2	62.6	65.2	62.6	N/A	N/A
Saugatuck Direct	52.9	53.9	52.9	53.9	N/A	N/A
Clarion Marketing and Communications, Inc.*	52.9	53.8	52.9	53.8	N/A	N/A
Lowe Direct	52.0	53.3	52.0	53.3	N/A	N/A
GSP Marketing Services*	55.2	51.7	55.2	51.7	N/A	N/A
U. S. Communications Corporation (9)	42.6	50.3	42.6 +	50.3	N/A	N/A
Saatchi & Saatchi Direct North America	30.7	46.3	30.7	46.3	N/A	N/A
Brierley & Partners*	30.3	45.6	30.3	45.6	N/A	N/A
McCaffrey and McCall Direct Marketing	38.2 +	40.4	38.2 +	40.4	N/A	N/A
Bozell Direct Response	35.1 +	40.0	35.1 +	40.0	N/A	N/A
Manus Direct* (1)	36.5	38.7	36.5	38.7	N/A	N/A
Database Marketing Corporation (1)	28.3	37.4	28.3	37.4	N/A	N/A
Earle Palmer Brown	35.0	37.0	35.0	37.0	N/A	N/A
The Stenrich Group, Inc. (1)	32.1	34.9	32.1	34.9	N/A	N/A
Gillespie Advertising, Inc.	35.3	34.1	35.3	34.1	N/A	N/A
Herring Newman, Inc. (10)	21.3	33.9	21.3 +	33.9	N/A	N/A
Berenson, Isham & Partners, Inc.	31.0	31.0	30.3 +	30.3	0.7 +	0.7
Lawrence Butner Advertising, Inc.*	25.2	29.1	25.2	29.1	N/A	N/A
North American Integrated Mktg.	23.3	28.4	23.3	28.4	N/A	N/A
Steinert & Associates	28.0	27.5	28.0	27.5	N/A	N/A
Shain Colavito Pensabene Direct, Inc.*	15.1	25.4	15.1	25.4	N/A	N/A
Direct Response Broadcasting Network	20.0	25.0	20.0 +	25.0	N/A	N/A
The McClure Group (11)	22.4	24.4	22.4	24.4	N/A	N/A
Grizzard Advertising, Inc.* (1)	23.2 +	22.7	23.2 +	22.7	N/A	N/A
Haynes and Pittenger Direct, Inc.* (1)	10.3	22.4	10.3	22.4	N/A	N/A
Klemtner Advertising, Inc.	12.1	21.7	12.1	21.7	N/A	N/A
Fox Pavlika & Partners, Inc.* (12)	21.1	21.2	21.1	21.2	N/A	N/A

(continued)

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS

(CONTINUED FROM PAGE 22)

AGENCIES	TOTAL BILLINGS (In Millions) 1990	1991	U.S. BILLINGS (In Millions) 1990	1991	INTERNATIONAL BILLINGS (In Millions) 1990	1991
Huntsinger & Jeffer, Inc.* (1)	20.2	21.1	20.2	21.1	N/A	N/A
Cramer-Krasselt/Direct*	18.4 +	20.6	18.4 +	20.6	N/A	N/A
Jordan, McGrath, Case & Taylor/Direct (13)	6.9	19.9	6.9	19.9	N/A	N/A
Wakeman & deForrest (14)	18.2	19.9	18.2	19.9	N/A	N/A
Split Run* (France)	N/A	19.3	N/A	N/A	N/A	19.3
Jack Levy Associates	15.0	17.2	15.0	17.2	N/A	N/A
Carmichael Lynch* (1)	6.7	16.6	6.7	16.6	N/A	N/A
Hal Langerman Company-Direct Marketing Agency	15.6	16.3	15.6	16.3	N/A	N/A
Tracy-Locke Direct	16.6	15.1	16.6	15.1	N/A	N/A
Lortz Direct Marketing, Inc. (LDMI)*	12.3	15.0	12.3	15.0	N/A	N/A
Clark Direct Marketing, Inc.	15.1	14.3	15.1	14.3	N/A	N/A
The Townsend Agency, Ltd.	15.4	14.1	15.4	14.1	N/A	N/A
Ovation Marketing, Inc.	11.6	13.4	11.6	13.4	N/A	N/A
Ronald James Direct, Inc.*	8.0	13.3	8.0	13.3	N/A	N/A
Creative Direct Marketing Group, Inc.	11.3	13.2	10.1	12.2	1.2	1.0
Sandven & Associates, Inc. (1)	15.0	13.0	15.0	13.0	N/A	N/A
Karl Rove & Company (1)	16.0	13.0	16.0	13.0	N/A	N/A
Kuhn & Wittenborn Advertising	10.5	12.0	10.5	12.0	N/A	N/A
Bennett Kuhn Varner, Inc.	8.7	12.0	8.7	12.0	N/A	N/A
Atkinson Group, Inc.*	10.9	11.7	10.9	11.7	N/A	N/A
Gerald Siegel & Associates*	8.3	10.9	8.3 +	10.9	N/A	N/A
Ketchum Communications, Inc. (15)	6.8	10.9	6.8	10.9	N/A	N/A
Directech, Inc.*	8.0	10.7	8.0 +	10.7	N/A	N/A
More Direct, Inc.	15.5	10.7	15.5	10.7	N/A	N/A
Kobs, Gregory & Passavant* (16)	7.0	10.7	7.0	10.7	N/A	N/A
Smith Lask Associates, Inc.	10.2	9.6	10.2	9.6	N/A	N/A
Fletcher, Gampper & Wirth, Inc.	8.3	9.0	8.3	9.0	N/A	N/A
Stein, Killpatrick & Rogan, Inc.	5.6	8.9	5.6	8.9	N/A	N/A
The Direct Marketing Agency, Inc.	N/A	8.3	N/A	8.3	N/A	N/A
Nichols-Bonnell, Inc.	8.0	8.2	8.0	8.2	N/A	N/A
AdDirect	7.6	8.2	7.6	8.2	N/A	N/A
Modular Direct/Promo Group* (17)	7.4	7.8	7.4	7.8	N/A	N/A
Evergreen Advertising & Mktg, Inc.	7.1	7.8	7.1	7.8	N/A	N/A
TargetCom, Inc.*	7.4	7.7	7.4	7.7	N/A	N/A
Direxions (Belgium)	6.6	7.3	N/A	N/A	6.6	7.3
Brett Associates*	6.7 +	7.1	6.7 +	7.1	N/A	N/A
Roska Direct Marketing*	5.9	7.0	5.9	7.0	N/A	N/A
DFA Advertising, Inc.	N/A	6.4	N/A	6.4	N/A	N/A
Harmon Smith Inc.	6.0	6.4	6.0	6.4	N/A	N/A
Nrthwst Dir., Dir. Resp. Advtsng & D'base Mktg.*	3.4	6.4	3.4	6.4	N/A	N/A
Sader & Associates, Inc.*	5.3	5.6	5.3	5.6	N/A	N/A
Sheldon Fredericks Advtsng, Inc.	5.3	5.3	5.3	5.3	N/A	N/A
Sales Development Associates, Inc.	4.9	4.9	4.9	4.9	N/A	N/A
Rosen/Brown Direct, Image Response Advtsng*	3.7	4.8	3.7	4.8	N/A	N/A
Princeton Direct, Inc.	4.7	4.8	4.7	4.8	N/A	N/A
DM Addresseservice A.S. (Norway) (1)	2.5	3.8	N/A	N/A	2.5	3.8
Marquardt & Roche Direct	2.9	3.6	2.9	3.6	N/A	N/A
Biggs/Gilmore Associates (1)	3.0	3.4	3.0	3.4	N/A	N/A
MWA Direct, Inc.	2.1	3.4	2.1	3.4	N/A	N/A
Tacito & Associates, Inc.* (1)	3.0	3.2	3.0	3.2	N/A	N/A

(continued)

DIRECT RESPONSE ADVERTISING AGENCY GROSS BILLINGS

(CONTINUED FROM PAGE 23)

AGENCIES	TOTAL BILLINGS (In Millions)		U.S. BILLINGS (In Millions)		INTERNATIONAL BILLINGS (In Millions)	
	1990	1991	1990	1991	1990	1991
Kern Direct (1)	N/A	2.8	N/A	2.8	N/A	N/A
di Paola & Pedro (Argentina)	3.2	2.6	N/A	N/A	3.2	2.6
Taurus Direct Marketing (1)	N/A	2.6	N/A	2.6	N/A	N/A
Southern Marketing Services, Inc. (1)	1.9	2.1	1.9	2.1	N/A	N/A
Advertising, Boelter & Lincoln	3.3	2.1	3.3	2.1	N/A	N/A
NKH&W, Inc.	1.7	2.0	1.7	2.0	N/A	N/A
Corcillo Direct, Inc.	1.8	2.0	1.8	2.0	N/A	N/A
Broadus & Associates, Inc.	0.9	1.8	0.9	1.8	N/A	N/A
Peter Vane Advertising	2.5	1.6	2.5	1.6	N/A	N/A
Launey, Hachmann & Harris, Inc. (1)	0.6	1.5	0.6	1.5	N/A	N/A
MARC Direct	1.2	1.5	1.2	1.5	N/A	N/A
Venture Direct (India)★ (1)	N/A	1.3	N/A	N/A	N/A	1.3
Garnier Direct-O (Costa Rica) (1)	1.1	1.2	N/A	N/A	1.1	1.2
Hemmings IV Direct	0.3	1.1	0.3	1.1	N/A	N/A
The Kilgannon Group, Inc.	0.7	0.9	0.7 +	0.9	N/A	N/A
Marketeck S.A. (Argentina) (1)	N/A	0.9	N/A	N/A	N/A	0.9
Response Marketing Ltd. (United Kingdom)	0.9	0.8	N/A	N/A	0.9	0.8

FOOTNOTES:

+ Agencies submitted adjusted figures for 1990.

★ Information was confirmed by an outside auditing firm.

(1) Agencies whose direct response billings include revenue from internal production capabilities.

(2) Effective 1/1/91, Targeted Communications was separated from Ogilvy & Mather Direct and made part of another WPP subsidiary. Targeted Communications has been excluded from 1990 figures for comparative purposes.

(3) Wunderman Worldwide's 1991 international figure includes billings from 7 offices not reported in 1990 figure: Austria, Hungary, Norway, Argentina, Barcelona, Spain; Rome, Italy, and Turku, Finland. 1991 figure does not include billings from Klausen & Partners in Helsinki.

(4) Rapp Collins Marcoa's Boston office was closed in November, 1991.

(5) Kobs & Draft Advertising, Inc.'s 1991 international figure does not include billings from an office in Belgium.

(6) Formerly DMCA DIRECT and related subsidiaries. 1991 figure includes billings from Boston, MA Office.

(7) Barry Blau & Partners, Inc. 1991 figure includes billings from a new office in Atlanta, GA.

(8) Russ Reid Company's figures represent billings from its fiscal year ending June 30, 1990 and 1991, respectively.

(9) U.S. Communications Corporation's 1990 figure includes billings from USCC – Minneapolis, and Unispond – Chicago. 1991 figure includes billings from USCC – Minneapolis, USCC – Dallas, and USCC – San Jose.

(10) Herring Newman, Inc.'s billings represent 12 months ending November 30, 1990 and 1991 respectively.

(11) The McClure Group's 1991 billings include American Print, Inc., a new subsidiary.

(12) Formerly Fox MMJM Direct, Inc.

(13) Formerly AD HOC Marketing Resources, Inc. In 1991 AD HOC Marketing Resources, Inc. was acquired by Jordan, McGrath, Case & Taylor/Direct.

(14) New York office – Nash, Wakeman & deForrest added in 1991.

(15) Ketchum Communications, Inc. 1991 figure includes billings from offices in San Francisco, Los Angeles, Chicago, Philadelphia, and Pittsburgh. 1990 figure does not include billings from Pittsburgh.

(16) Kobs, Gregory & Passavant's 1991 figure includes billings from a new office in New York.

(17) Formerly R.S.H.&S. Direct.

NOTE: This list represents only those agencies who responded to requests made in 1991 for full year 1991 and 1990 U.S. and International direct response billings. All figures were supplied by the individual agencies, who were asked to include capitalized media commissions, material and services fees and agency fees; plus revenue derived from direct marketing internal production activities.

Figures listed in the "Total Billings" column equal the sum of the U.S. and international billings. The data is ranked by 1991 "total billings." "N/A" indicates billings were either not available or not applicable. Firms submitting international billings only are listed with the agency's name first, followed by the country where the agency submitting the data is located.

SOURCE: Direct Marketing Association Research Department, July 1992

FORTUNE 500 COMPANIES USING DIRECT MARKETING

The following listing includes 100 companies in the Fortune 500 that DMA has identified as using direct marketing techniques as part of their media mix.

	Fortune 500 Rank 1991	Fortune 500 Rank 1990	Company Name	Sales+	
				$ Millions	% Change from 1990
1	2	2	Exxon	103,242.0	(2.5)
2	3	3	Ford Motor	88,962.8	(9.5)
3	4	4	International Business Machines	64,792.0	(6.1)
4	6	5	Mobil	56,910.0	(3.2)
5	7	7	Philip Morris	48,109.0	8.5
6	8	9	E.I. Du Pont De Nemours	38,031.0	(4.5)
7	9	8	Texaco	37,551.0	(8.9)
8	10	10	Chevron	36,795.0	(6.3)
9	13	15	Procter & Gamble	27,406.0	12.4
10	14	12	Amoco	25,604.0	(9.5)
11	15	14	Shell Oil	22,201.0	(9.1)
12	17	23	Pepsico	19,771.2	11.1
13	18	20	Eastman Kodak	19,649.0	3.0
14	20	18	Dow Chemical	19,305.0	(3.5)
15	21	24	McDonnell Douglas	18,718.0	14.5
16	22	22	Xerox	17,830.0	(3.0)
17	24	19	USX	17,163.0	(11.8)
18	25	28	RJR Nabisco Holdings	14,989.0	8.0
19	26	29	Hewlett-Packard	14,541.0	9.9
20	28	30	Digital Equipment	14,024.2	7.2
21	29	31	Minnesota Mining & Manufacturing	13,340.0	2.4
22	30	33	Westinghouse Electric	12,794.0	(0.9)
23	31	32	International Paper	12,703.0	(2.0)
24	33	38	Sara Lee	12,456.3	6.9
25	34	41	Johnson & Johnson	12,447.0	10.8
26	35	35	Rockwell International	12,027.9	(3.3)
27	37	47	Coca-Cola	11,571.6	11.2
28	38	34	Georgia-Pacific	11,524.0	(9.0)
29	39	42	Motorola	11,341.0	4.2
30	42	44	Anheuser-Busch	10,996.3	2.3
31	47	50	Lockheed	9,809.0	(1.7)
32	48	45	Unocal	9,780.0	(8.9)
33	53	53	Monsanto Agricultural Co.	8,929.0	(1.3)
34	56	55	Unilever U.S.	8,855.1	2.0
35	61	57	American Brands	8,379.0	1.3
36	62	58	TRW	7,913.0	(3.1)
37	65	67	Ralston Purina	7,394.2	3.7
38	68	77	General Mills	7,153.2	10.3
39	72	62	Deere	7,055.2	(10.5)
40	73	71	W. R. Grace Company	6,949.1	2.6
41	74	83	Abbott Laboratories	6,921.7	11.5
42	77	73	Texas Instruments	6,812.0	3.1
43	78	72	Whirlpool Corporation	6,770.0	1.9
44	81	95	Apple Computer	6,308.8	13.5
45	89	93	Quaker Oats	6,101.2	6.2
46	90	94	Colgate-Palmolive	6,093.7	6.2
47	96	86	PPG Industries	5,725.2	(6.4)
48	100	110	Warner-Lambert	5,166.6	8.3
49	101	108	American Cyanamid	5,039.9	4.5
50	102	98	Scott Paper	5,000.0	(7.3)

(continued)

FORTUNE 500 COMPANIES USING DIRECT MARKETING

(CONTINUED FROM PAGE 25)

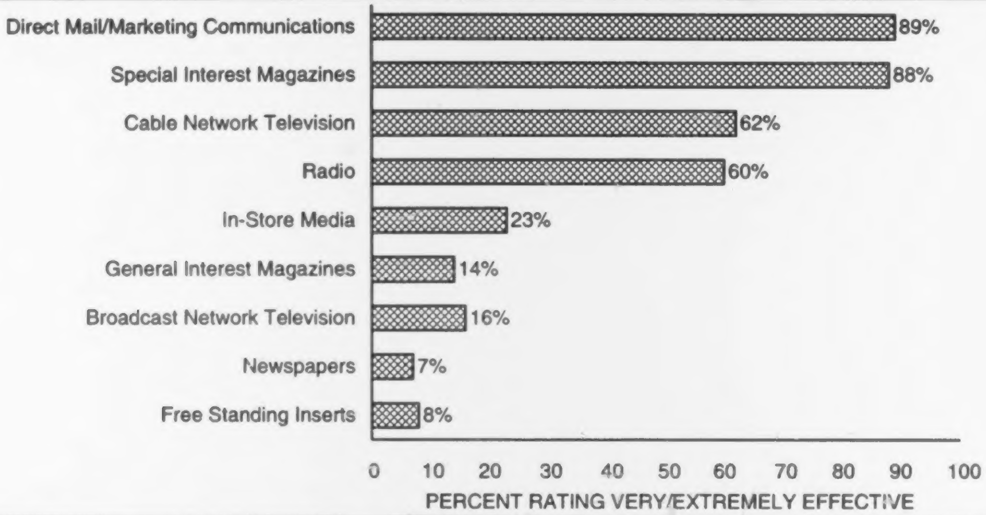
				Sales+	
	Fortune 500 Rank 1991	Fortune 500 Rank 1990	Company Name	$ Millions	% Change from 1990
51	105	104	Champion International	4,786.4	(7.2)
52	107	113	Gillette	4,705.6	7.1
53	108	111	Dresser Industries, Inc.	4,702.3	3.8
54	109	107	Black & Decker	4,637.0	(4.9)
55	112	109	Mead Paper	4,579.3	(4.5)
56	114	97	James River Corp. of Virginia	4,561.7	(15.9)
57	116	123	Coca-Cola Enterprises	4,050.8	0.3
58	117	118	Boise Cascade	4,043.7	(3.5)
59	121	139	R.R. Donnelley & Sons	3,914.8	11.9
60	127	142	J. E. Seagram	3,680.0	7.9
61	130	135	Times Mirror Videotex Service	3,624.1	(0.2)
62	132	138	Avon Products	3,593.3	2.4
63	134	137	Agway	3,489.8	(3.3)
64	137	145	Pitney Bowes	3,417.1	4.6
65	140	141	Gannett Telemarketing, Inc.	3,382.0	(2.0)
66	143	154	Corning	3,286.8	10.3
67	145	136	Compaq Computer Corporation	3,271.4	(9.8)
68	146	181	Sun Microsystems	3,259.8	31.4
69	154	159	Union Camp Corporation	2,967.1	4.5
70	157	147	Hercules	2,928.9	(9.0)
71	160	164	Hershey Foods Corporation	2,901.6	6.8
72	162	167	Geo. A. Hormel	2,836.2	5.8
73	165	160	Rohm & Haas Company	2,775.0	(2.2)
74	168	192	Pennzoil	2,685.1	13.5
75	179	184	B. F. Goodrich	2,471.6	0.5
76	184	156	Engelhard Industries	2,436.4	(17.2)
77	185	209	Reader's Digest Association	2,393.8	16.4
78	188	185	Westvaco Corporation	2,321.8	(4.7)
79	194	200	Dover Publications, Inc.	2,195.8	(1.7)
80	198	259	Hasbro	2,141.1	40.9
81	201	169	Wang Laboratories	2,127.1	(19.3)
82	203	213	Polaroid	2,096.0	5.3
83	206	191	Tribune Company	2,034.7	(14.1)
84	208	219	Willamette Industries	2,004.5	5.2
85	216	218	McGraw-Hill	1,943.0	0.2
86	217	220	Tandem Computers	1,939.7	3.1
87	220	225	Adolph Coors	1,918.4	2.7
88	221	222	Springs Industries	1,891.3	0.6
89	222	240	Dow Corning	1,877.3	9.3
90	227	239	Dow Jones	1,731.6	0.2
91	232	234	New York Times Company	1,703.1	(4.1)
92	241	264	Mattel Toys	1,650.0	12.2
93	243	262	Clorox	1,646.5	9.6
94	256	242	Cabot Direct Marketing	1,579.9	(6.2)
95	259	280	Bausch & Lomb	1,535.5	10.8
96	263	273	Deluxe Corporation	1,490.2	4.7
97	268	293	American Greetings Corporation	1,431.8	9.4
98	269	288	McCormick Company	1,427.9	6.9
99	279	276	Tektronix	1,330.9	(5.8)
100	282	275	Zenith Electronics	1,321.6	(6.6)

* denotes that corporation did not have a Fortune 500 ranking in 1990
+ represents total sales for corporation; not necessarily mail order only

Source: DMA Marketing Department/*Fortune* Magazine, 1991

ABILITY OF VARIOUS ADVERTISING MEDIA TO TARGET SPECIFIC AUDIENCES

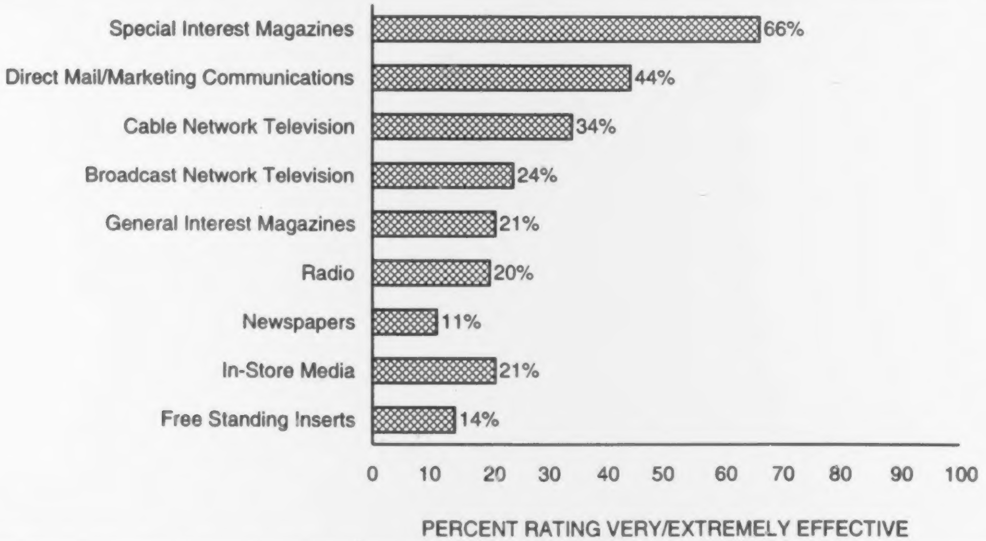
Myers Marketing & Research conducts an annual survey to advertising and marketing executives at both advertising agencies and client companies to determine their attitudes toward and perceptions about traditional and non-traditional media. Interviews are also conducted among brand and product managers. Among respondents, direct mail is considered the most targetable advertising medium.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

VIEWER/READER INVOLVEMENT

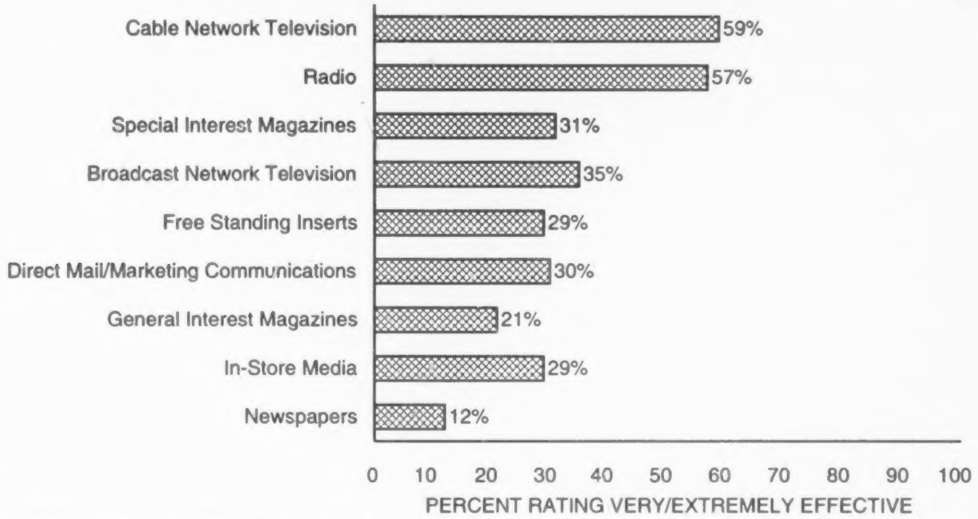
The media rated highest in ability to target specific audiences also rate highest in viewer/reader involvement.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value

PRICE EFFICIENCY OF VARIOUS MEDIA

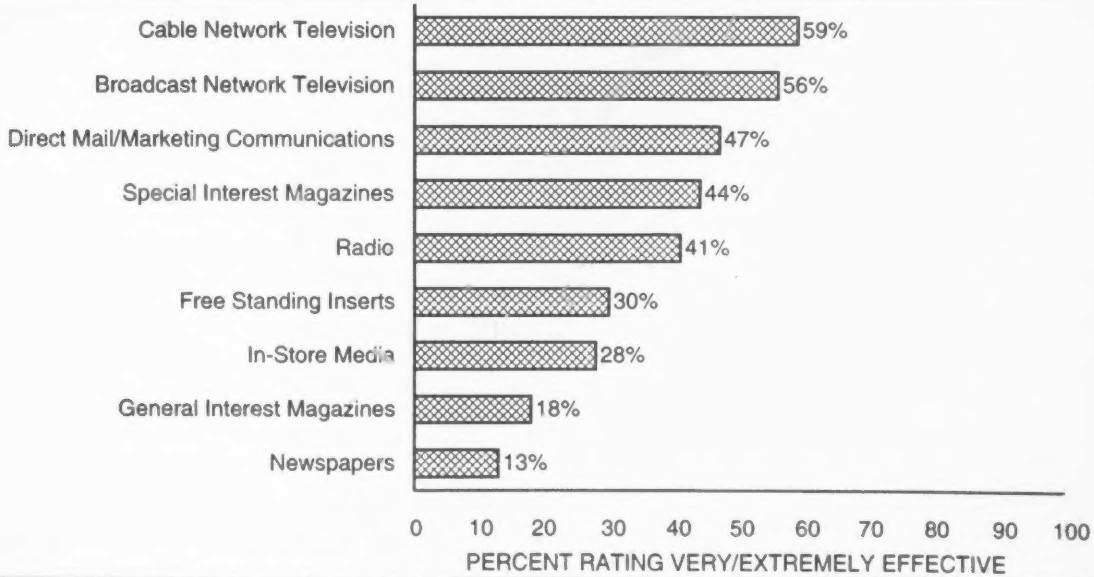
Cable television and radio are considered the most cost-effective media.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

OVERALL VALUE OF MEDIUM

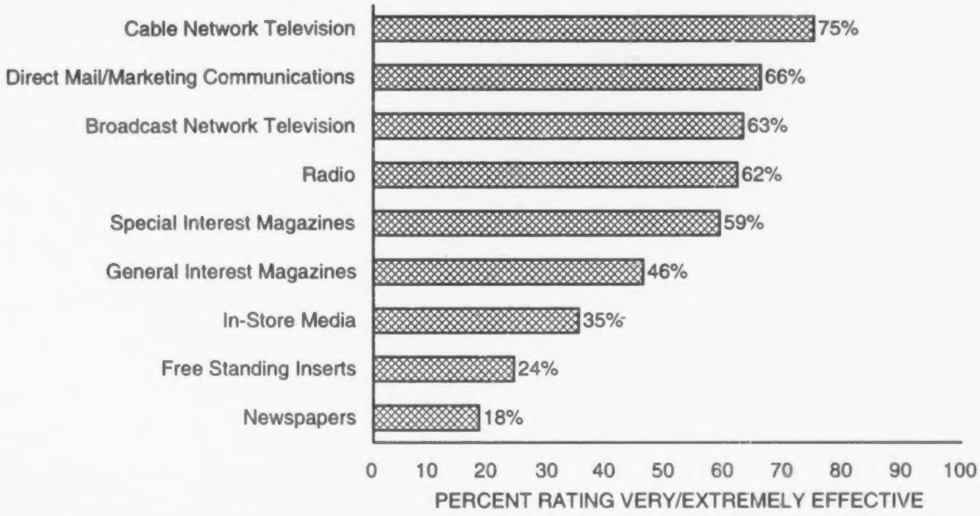
Television—both cable and broadcast—and direct mail are considered the most valuable media overall.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

CREATIVE OPPORTUNITIES OFFERED BY VARIOUS MEDIA

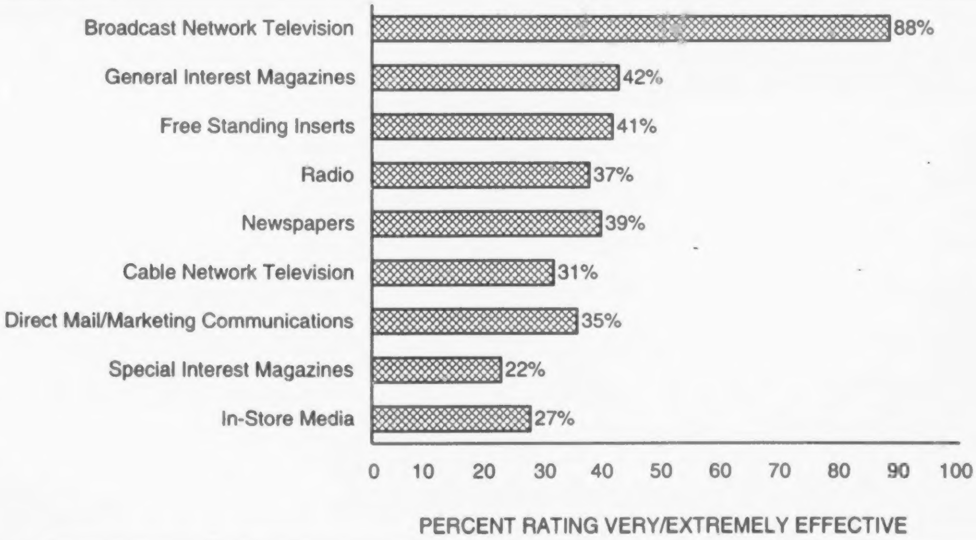
Direct mail ranks high along with cable and broadcast television as offering the most creative opportunities.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

TOTAL AUDIENCE REACH POTENTIAL OF ADVERTISING MEDIA

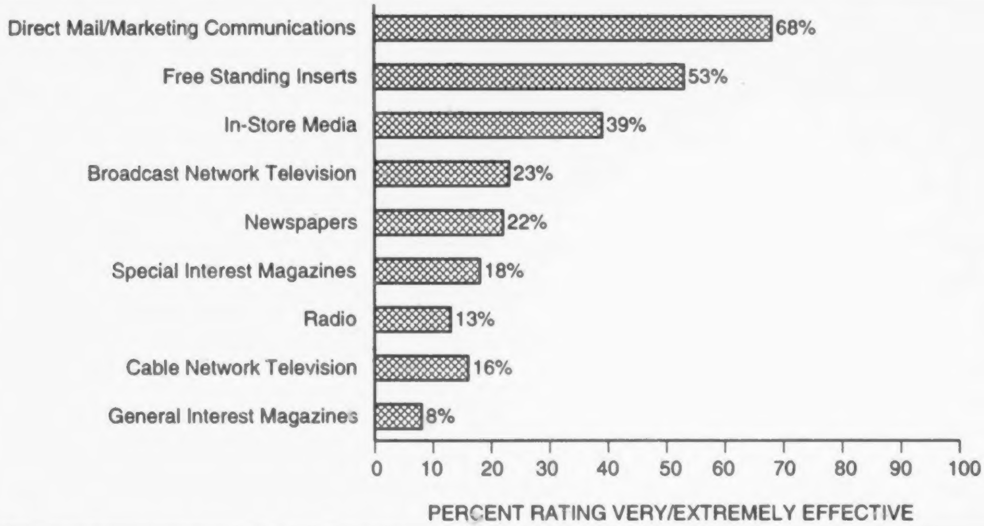
The media with the broadest audience bases (i.e., broadcast network television and general interest magazines) have the largest audience reach potential.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

ABILITY OF VARIOUS MEDIA TO MEASURE EFFECTIVENESS

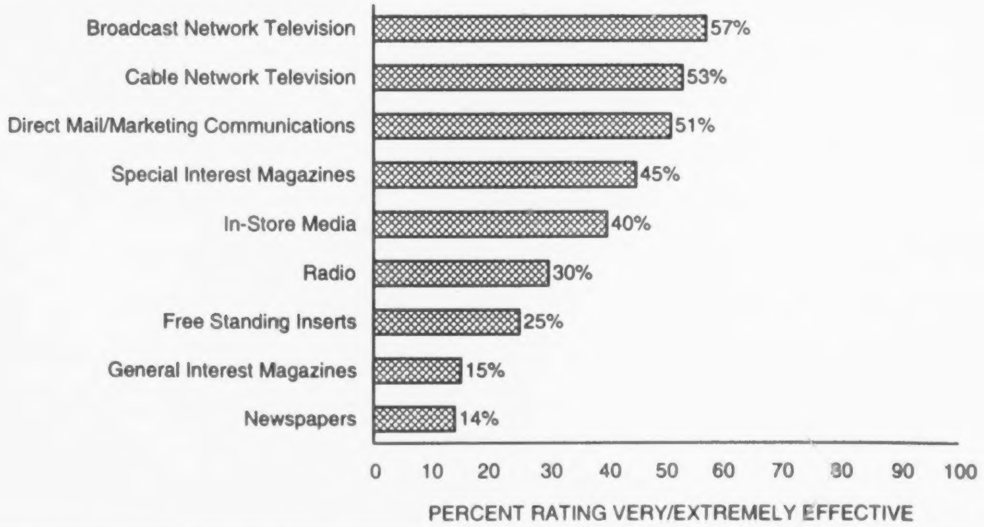
Not surprisingly, the "trackable" media—direct mail and free-standing inserts—rate highest in ability to measure effectiveness.



Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value.

ABILITY OF VARIOUS MEDIA TO INFLUENCE CONSUMER MOTIVATIONS

The visual, attention-grabbing media—broadcast and cable TV, direct mail—rate highest in ability to influence consumer motivations.

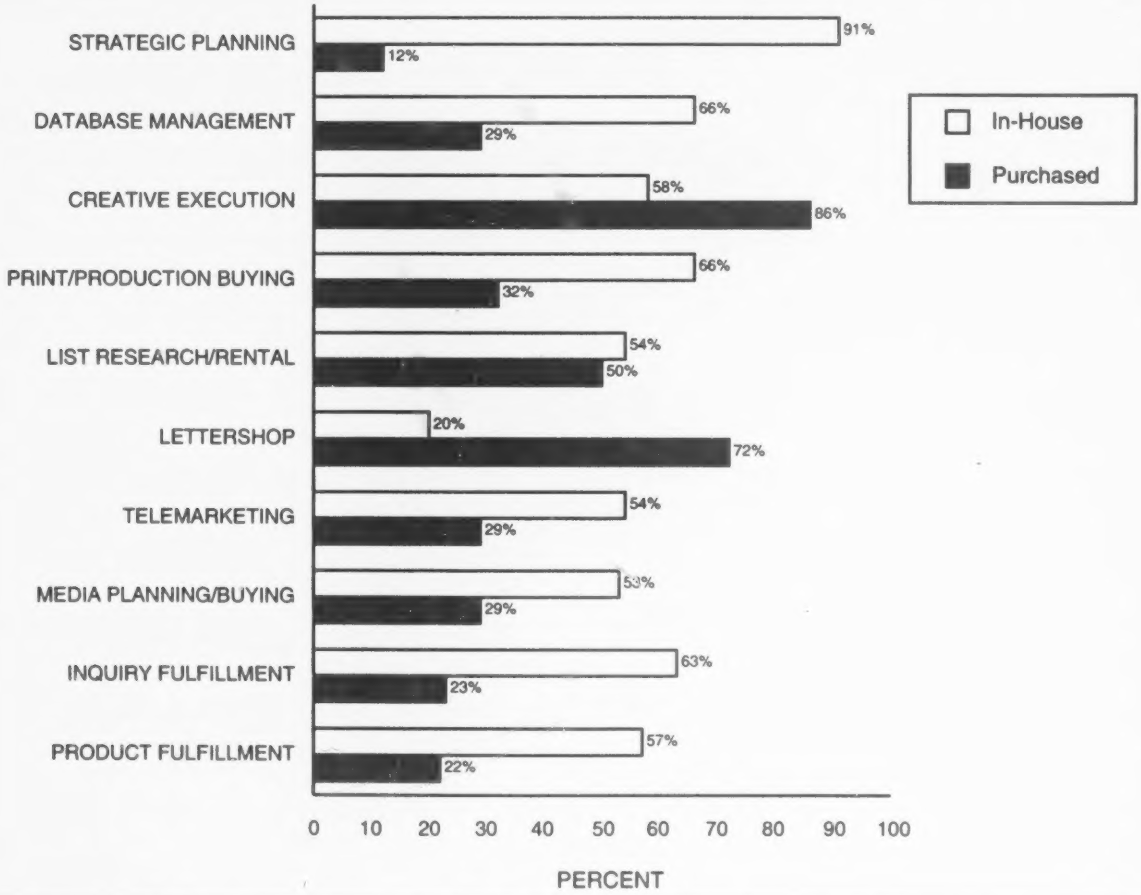


Source: Myers Marketing & Research, 1991 Survey on Marketing Effectiveness & Media Value

The Direct Marketing Group's 1990 Direct Marketing Survey was conducted in late 1990 among 2,000 U.S. companies known to be using direct marketing methods as part of their advertising media mix. Among the industries represented were automotive, communications, financial services, non-profit, mail order, office equipment and supplies, publishing, retailing, and travel. A 10% response was achieved. Although the Direct Marketing Group does not claim statistical validity for the results, they believe that they accurately reflect client attitudes to current direct marketing issues, and provide a useful picture of at least a part of the direct marketing industry in 1991.

DIRECT MARKETING ACTIVITIES CARRIED OUT IN-HOUSE VS. PURCHASED

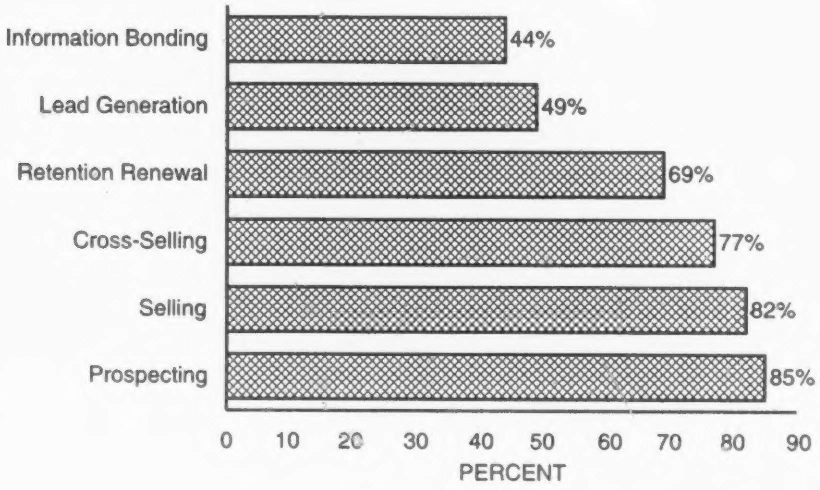
Which of the following direct marketing activities does your company carry out in-house, and for which does your company use external suppliers?



Source: The Direct Marketing Group, 1990.

WHAT DIRECT MARKETING IS USED FOR

Do you use direct marketing in your company for any of the following activities?



Source: The Direct Marketing Group, 1990.

TYPES OF DIRECT MARKETING BEING USED

Types of direct marketing being used

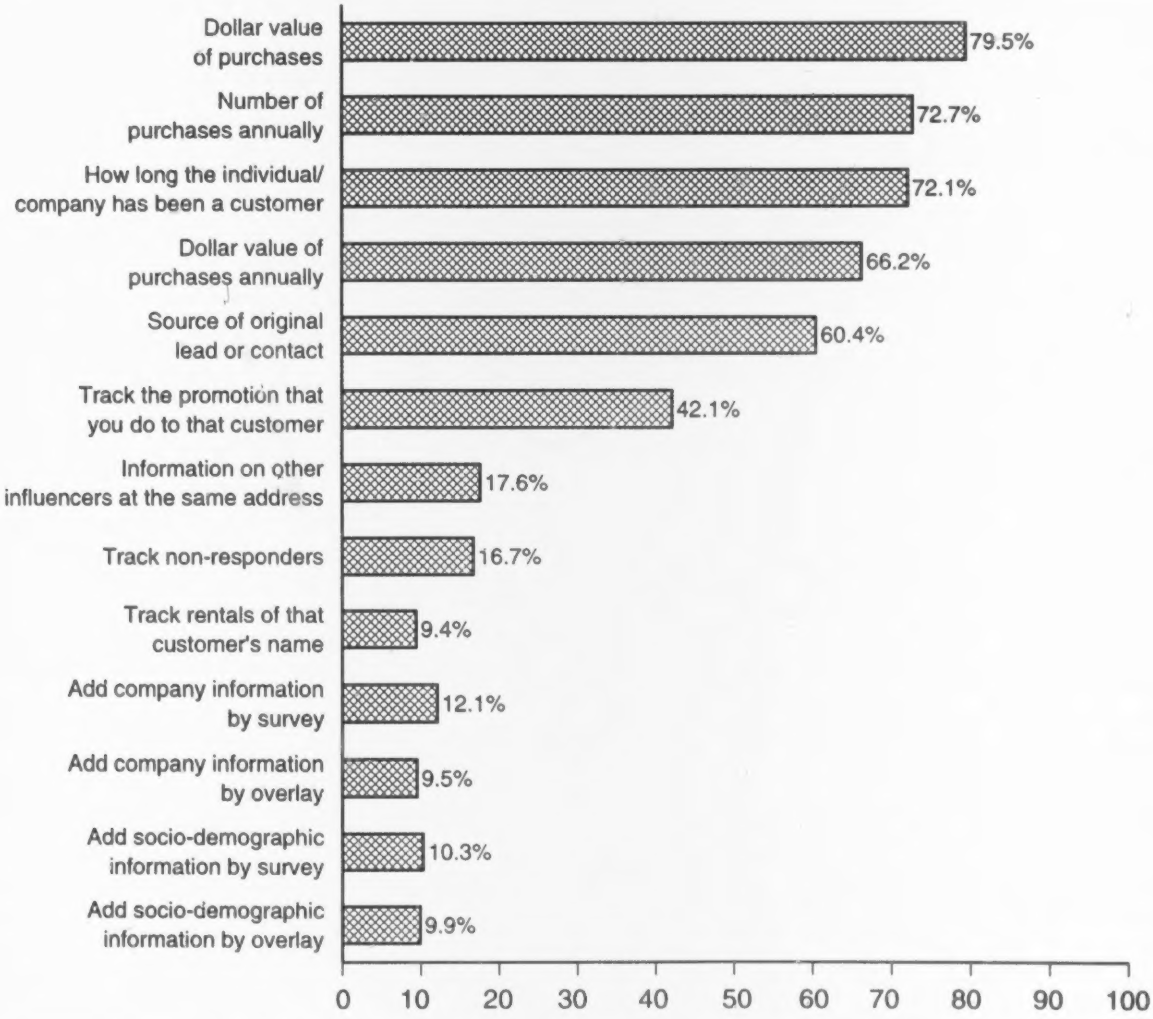
The extent of direct marketing being used by companies of all sizes and types is astonishing. While mail dominates, in some sectors, telemarketing is gaining ground fast. The newer "electronic" direct marketing media haven't taken off just yet, though some categories are more willing to experiment with them than others.

		TYPE OF FIRM						ANNUAL SALES VOLUME					CUSTOMER BASE		
	TOTAL	MANUFACTURER	RETAILER	WHOLESALER/ DISTRIBUTOR	PUBLISHER	ASSOCIATION/ HOSPITAL/ REAL ESTATE/ OTHER	PRINT/LETTER/LIST DATA/TRAVEL/EDUC/ COMM/FINANCIAL/ OTHER SERVICE	NON-PROFIT TO $249,999	$250,000 TO $999,999	$1 MILLION TO $4.9 MILLION	$5 MILLION TO $99.9 MILLION	$100 MILLION OR MORE	CONSUMER	BUSINESS-TO-BUSINESS	BOTH
Mail	85.1%	76.8%	66.7%	79.4%	92.9%	96.2%	89.6%	80.8%	85.0%	79.3%	87.8%	94.3%	82.6%	88.7%	84.4%
Telemarketing	48.5	41.1	28.6	39.7	54.8	42.3	59.3	30.8	36.3	42.7	60.3	72.7	40.6	59.5	45.4
Catalogs	48.0	63.6	52.4	80.9	41.7	34.6	23.7	44.2	45.0	55.3	44.3	50.0	34.8	47.2	56.9
Direct response promotion via coupons	19.8	19.2	14.3	14.7	17.3	30.8	25.2	11.5	16.3	12.0	23.7	36.4	19.4	14.9	25.2
Point-of-purchase	16.2	21.2	19.0	16.2	13.7	7.7	17.0	9.6	10.0	12.0	19.8	35.2	13.5	8.7	25.2
Free standing inserts	15.9	9.3	19.0	4.4	23.8	7.7	20.0	4.8	11.3	8.7	20.6	38.6	20.0	11.8	17.0
Card Packs	15.2	13.2	9.5	11.8	20.8	19.2	13.3	4.8	13.8	20.7	22.1	10.2	9.7	24.1	12.7
Co-op	14.5	15.2	14.3	7.4	15.5	-	20.0	4.8	7.5	10.7	18.3	36.4	18.7	7.2	17.4
Package inserts	13.0	11.3	4.8	5.9	20.2	11.5	11.9	1.9	10.0	10.0	19.8	20.5	20.6	8.2	11.9
Direct response TV/radio	11.8	9.3	9.5	5.9	10.1	26.9	16.3	6.7	6.3	10.0	12.2	21.6	16.8	3.6	15.6
Fax marketing	5.5	5.3	9.5	7.4	4.8	-	5.9	2.9	6.3	6.0	6.9	4.5	1.9	7.2	6.9
Computer network	4.1	5.3	-	2.9	4.2	-	5.2	2.9	-	2.7	6.1	9.1	3.2	3.6	5.5
Other	2.6	1.3	-	2.9	2.4	3.8	4.4	3.8	1.3	2.7	3.1	1.1	1.3	2.6	3.7

Source: Direct Magazine, 1991.

TYPES OF CUSTOMER DATA MARKETERS MAINTAIN

Only 60% of respondents track the source of the original lead or contact, and while 80% know the dollar value of customer's purchases, that means 20% don't even track that. But here's news—almost 17% track non-responders. We wonder . . . how?



Source: *Direct Magazine*, 1991.

LEADING U.S. COMPANIES 1991 MAIL ORDER SALES

1991 Rank	Name of Company	1990 Rank	Sales Segment	Mail Order Sales (In millions)
1.	United Services Automobile Association	1	Insurance	4,867.5
2.	Time Warner	3	Books, Magazine Subscriptions, Cable TV	3,471.1
3.	Sears, Roebuck & Company	6	General Merchandise, Insurance, Auto Clubs	3,445.3
4.	J. C. Penney	2	General Merchandise, Insurance	3,169.8
5.	American Association of Retired Persons	4	Health, Insurance, Magazines	2,767.5
6.	Tele-Communications	5	Cable TV	2,644.9
7.	Reader's Digest	7	Books, Collectibles, General Merchandise, Magazine Subscriptions	2,032.1
8.	GEICO	9	Insurance	1,785.0
9.	Primerica	12	Food, General Merchandise, Industrial, Insurance	1,674.6
10.	A T & T	8	Business Services, Consumer Electronics	1,443.5
11.	Otto Versand	11	General Merchandise, Sporting Goods, Apparel	1,383.4
12.	Comcast Cable	18	Cable TV	1,102.1
13.	Marmon Holdings	14	Consumer Services	1,100.0
14.	Home Shopping Network	16	Apparel, Health, General Merchandise	1,078.5
15.	MCI	10	Business Services	1,028.5
16T.	H. R. Block	46	General Merchandise	1,000.0
16T.	Digital Equipment Corporation	39	Business Supplies	1,000.0
18.	United Artists	*	Cable TV	955.2
19.	Continental Cablevision	20	Cable TV	929.8
20.	QVC Network	21	General Merchandise	921.8
21.	IBM	43	Business Supplies, General Merchandise	900.0
22.	American Automobile Association	15	Auto Clubs, Insurance	886.6
23.	Leucadia National	*	Insurance	873.2
24.	United Telecommunications	*	Business Services	838.8
25.	21st Century Industries	26	Insurance	741.6

(continued)

LEADING U.S. COMPANIES 1991 MAIL ORDER SALES (CONTINUED FROM PAGE 36)

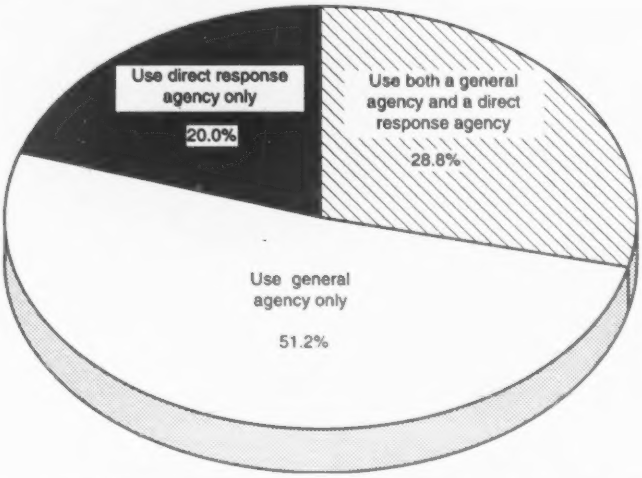
1991 Rank	Name of Company	1990 Rank	Sales Segment	Mail Order Sales (in millions)
26.	Federal Express	24	Business Services	725.0
27.	U.S. Government	23	Business Services, Collectibles, Health, Educational Services	695.2
28.	May Department Stores	27	General Merchandise	677.8
29.	Lands' End	28	Sporting Goods	648.8
30.	Campeau	25	Apparel, General Merchandise	638.2
31.	Lawphone	*	Consumer Services	633.0
32.	Capital Holding	38	Insurance	630.8
33.	Hanover Direct	*	Apparel, Gardening, General Merchandise, Gifts, Sporting Goods	623.6
34.	McGraw Hill	51	Business Services	569.0
35.	Bass Pro Shops	29	Sporting Goods	560.0
36.	R. H. Macy	31	General Merchandise	553.6
37.	Cox Enterprises	41	Cable TV	551.4
38.	Jones Spacelink	48	Cable TV	542.1
39.	Cablevision Systems Development	45	Cable TV	536.2
40.	Limited Inc.	34	Apparel	527.5
41.	L. L. Bean	33	Sporting Goods	525.9
42.	American Protection Industries	36T	Collectibles, Records	525.0
43.	Omega Scientific	36T	Industrial	500.0
44.	New Process Co.	40	Apparel	493.1
45.	Newhouse	44	Magazine Subscriptions, Cable TV, Books	488.3
46.	Montgomery Ward	54	General Merchandise, Financial Services, Auto Clubs	477.4
47.	Bertelsmann	49	Audio-Video, Books, Magazine Subscriptions, General Merchandise	466.1
48.	Times Mirror	50	Cable TV, Magazine Subscriptions	458.0
49.	American Express	22	General Merchandise, Insurance, Magazines	434.4
50.	Everex Systems	47	Industrial	425.1

NOTES:
* denotes that company was not among the top U.S. companies in worldwide sales in 1990.
T after ranking indicates a tie for that place.

Source: 1991 Guide to Mail Order Sales, Marketing Logistics, Inc., 1991

TYPE OF ADVERTISING AGENCY USED

Perhaps the age of integrated marketing has arrived and the general agency is directing it after all. That could be one reason the majority of marketers use a general agency only.



Source: *Direct Magazine*, 1991

ACTIVITIES PERFORMED BY AGENCY

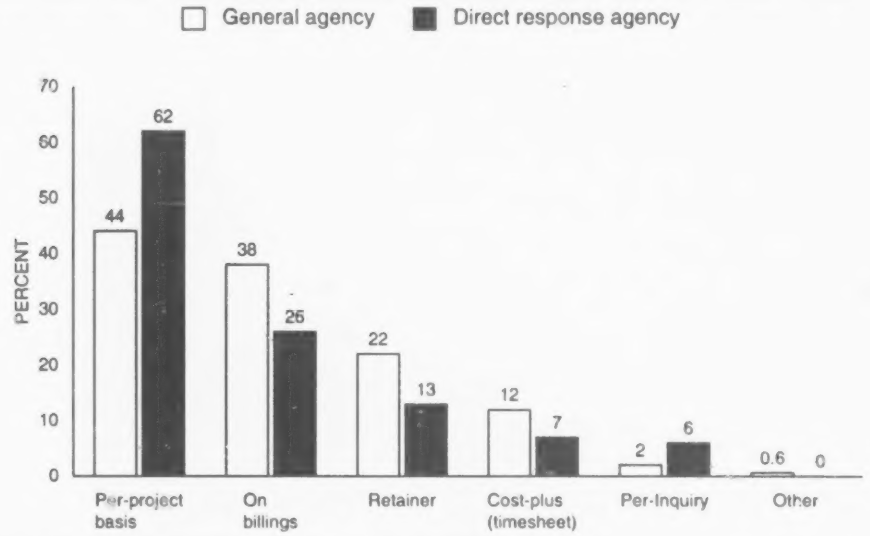
It comes as no surprise that clients use their agencies primarily to work on creative and create mail pieces. But it is interesting to learn that when they have a choice of agencies, they depend on their general agencies, however slightly, for such traditionally direct functions as creating mail pieces, mailing services and choosing lists. The latter is usually the province of the client.

	Client uses general agency only	Client uses direct response agency only	Client uses both	
			General agency	Direct response agency
Works on creative	90.9%	86.0%	87.1%	66.1%
Creates mail pieces	56.4	79.1	40.3	71.0
Provides mailing services	20.9	34.9	14.5	61.3
Does printing and production	62.7	41.9	51.6	53.2
Develops strategy	33.6	44.2	51.6	41.9
Chooses lists	19.1	30.2	14.5	48.4
Tracks and analyzes responses	12.7	23.3	8.1	45.2
Directs market research	30.9	30.2	48.4	30.6
Other	2.7	7.0	1.6	3.2

Source: *Direct Magazine*, 1991

HOW AGENCY IS PAID

In a rough-and-tumble economy, it's good to know that clients are indeed paying their agencies. One might have thought "in kind" would appear in the "other" category. As expected, per-project looks to be the most popular method of paying direct response agencies; it's worth noting that so many pay on billings.



Source: *Direct Magazine*, 1991

CORPORATE DEVELOPMENT TRANSACTIONS

The information below is taken from Competitive Direct Marketing Strategies, a study detailing corporate development activities and trends shaping the direct marketing industry. In 1991, total strategic activity, as measured by the total number of corporate development transactions, increased 12% to 181, from 161 in 1990.

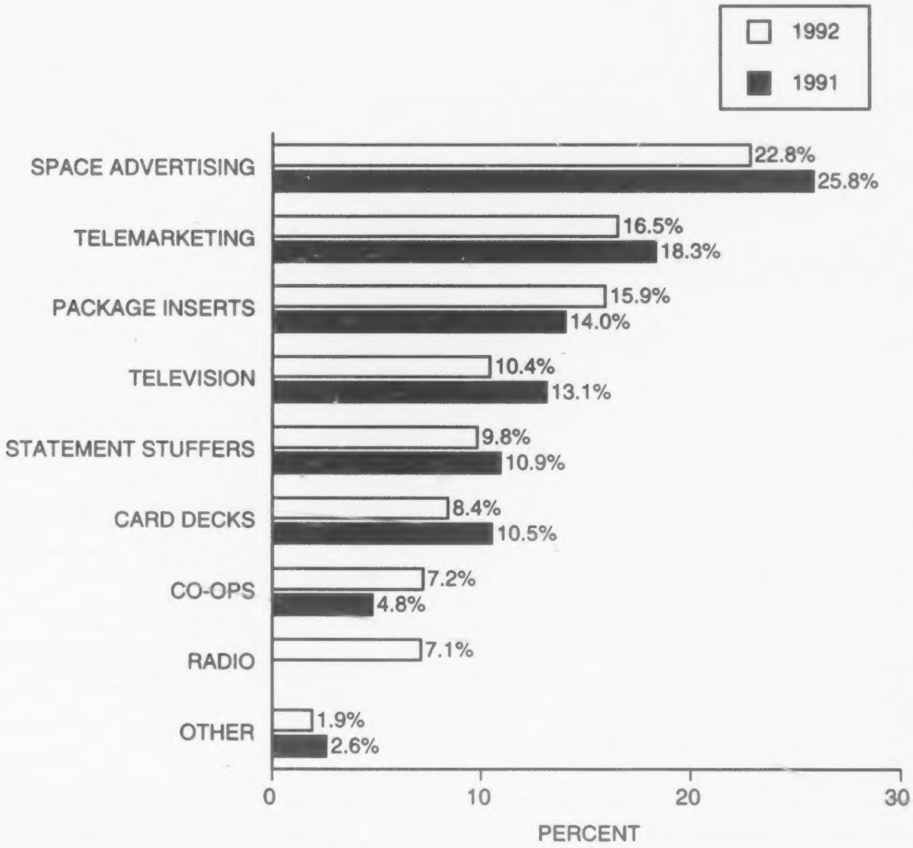
	1990		1991		Net Change	
	Number	%	Number	%	Number	%
Acquisitions	81	50%	68	37%	(13)	(16%)
Mergers	4	2%	11	6%	7	175%
Buyouts	11	7%	6	3%	(5)	(45%)
Joint Ventures	8	5%	19	10%	11	138%
New Ventures	35	22%	32	18%	(3)	(9%)
Bankruptcies	8	5%	14	8%	6	75%
Closings	10	6%	19	10%	9	90%
Public Offerings	4	3%	12	7%	8	200%
TOTAL	**161**	**100%**	**181**	**100%**	**20**	**12%**

Source: Information Authorities, Inc., 1992

The Kleid Company conducted "1992 — How Does it Look for Direct Marketers?" among 3,195 direct marketing executives via mail survey. The survey achieved a 9.4% response rate. The results below are compared with Kleid's "1991—How Does It Look for Direct Marketers" survey.

MEDIA UTILIZED BY DIRECT MARKETERS IN ADDITION TO DIRECT MAIL

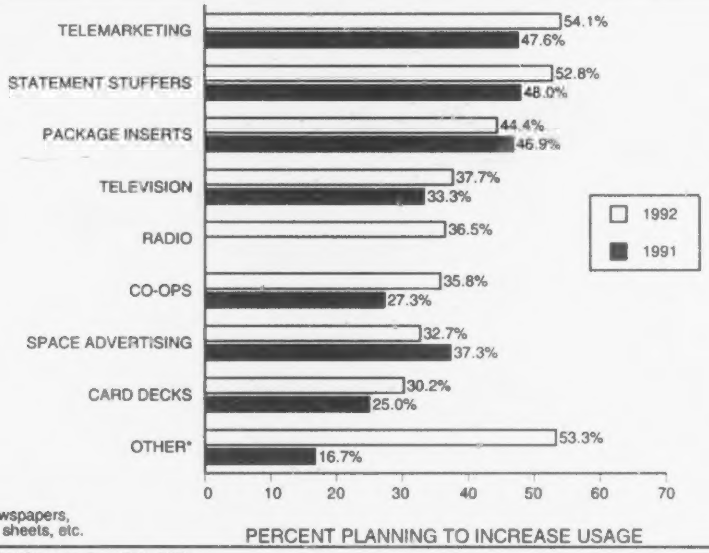
As postal rates continue to rise, direct marketers' use of alternate media has also been increasing. 81.2% of the respondents in this survey reported utilizing one or more of the following media:



Source: The Kleid Company, Inc., 1991, 1992.

INCREASED USE OF DIRECT MARKETING MEDIA: OUTLOOK 1992 vs. 1991

Respondents plan to increase usage of almost all the media listed below for 1992, with the exception of space advertising and package inserts.

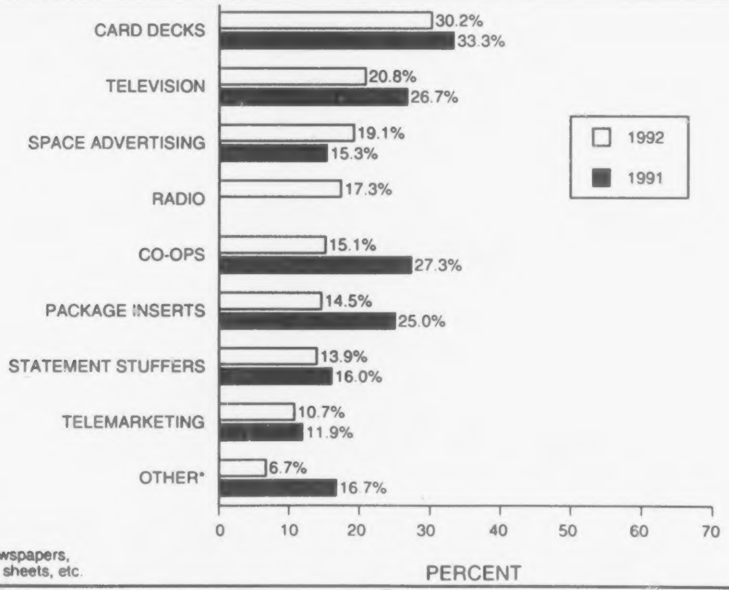


*Includes newspapers, FSI's, stamp sheets, etc.

Source: The Kleid Company, Inc., 1991, 1992.

DECREASED USE OF DIRECT MARKETING MEDIA: OUTLOOK 1992 vs. 1991

In 1992, less respondents plan to decrease usage of almost all of the following media, with the exception of space advertising.



*Includes newspapers, FSI's, stamp sheets, etc.

Source: The Kleid Company, Inc., 1991, 1992

PAPER AND PAPERBOARD PRODUCTS IN MSW*, 1990
IN MILLIONS OF TONS AND PERCENT OF GENERATION

In 1990, 200,000 tons of third-class mail was recovered for recycling, representing 5.2% of all nondurable goods recovered.

Product Category	Generation (Million tons)	Recovery (Million tons)	Recovery (Percent of generation)	Discards (Million tons)
Nondurable Goods				
Newspapers	12.9	5.5	42.5%	7.4
Books	1.0	0.1	10.3%	0.9
Magazines	2.8	0.3	10.7%	2.5
Office Papers	6.4	1.7	26.5%	4.7
Telephone Books	0.5	0.1	9.3%	0.5
Third Class Mail	3.8	0.2	5.2%	3.6
Other Commercial Printing	5.5	1.1	19.4%	4.5
Tissue Paper and Towels	3.2	Neg.	Neg.	3.2
Paper Plates and Cups	0.7	Neg.	Neg.	0.7
Other Nonpackaging Paper	3.8	Neg.	Neg.	3.8
Total Paper and Paperboard Nondurable Goods	40.7	8.9	21.9%	31.8

*MSW—Municipal Solid Waste

NOTES: ***Recovery*** refers to materials removed from the waste stream for the purpose of recycling and/or composting. ***Discards*** include the municipal solid waste remaining after recovery and usually disposed of in landfills.

Source: U.S. Environmental Protection Agency/Franklin Associates, Ltd., 1992.

ESTIMATES OF NONDURABLE GOODS FRACTIONS OF MSW*: 1990

In 1990, 3.8 million tons of third-class mail was generated, 65% of which went to consumers, and 35% to businesses.

	1990 Generation (Millions of tons)	Residential Percent	Residential Tons	Commercial Percent	Commercial Tons
Newspapers	12.9	90	11.6	10	1.3
Books	1.0	80	0.8	20	0.2
Magazines	2.8	65	1.8	35	1.0
Office Papers	6.4	25	1.6	75	4.8
Telephone Books	0.5	60	0.3	40	0.2
Third Class Mail	3.8	65	2.5	35	1.3
Other Commercial Printing	5.5	65	3.6	35	1.9
Tissue Paper and Towels	3.2	60	1.9	40	1.3
Paper Plates and Cups	0.7	20	0.1	80	0.6
Plastic Plates and Cups	0.3	20	0.1	80	0.2
Trash Bags	0.8	95	0.8	5	0.0
Disposable Diapers	2.6	90	2.3	10	0.3
Other Nonpackaging Paper	3.8	50	1.9	50	1.9
Clothing and Footwear	3.7	60	2.2	40	1.5
Towels, Sheets and Pillowcases	1.0	90	0.9	10	0.1
Other Miscellaneous Nondurables	3.2	50	1.6	50	1.6
Total Nondurable Goods	52.3		34.0		18.2

*MSW—Municipal Solid Waste

Source: U.S. Environmental Protection Agency/Franklin Associates, Ltd., 1992.

WEIGHT OF PRODUCTS DISCARDED IN MSW*, 1990

In 1990, 3.6 million tons of third-class mail was discarded in MSW, compared with 4.7 million tons from office papers, 4.5 million from other commercial printing, and 7.4 million from newspapers.

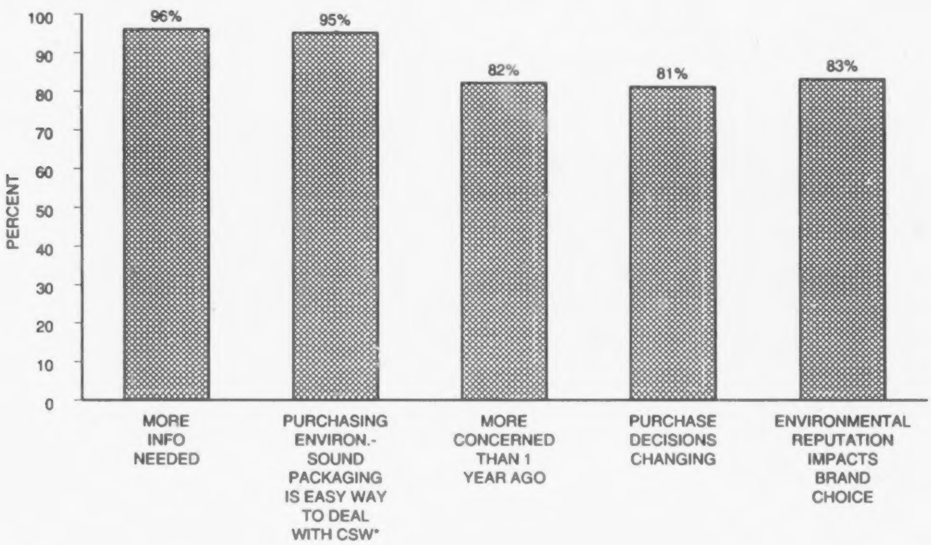
	1990 Discards* (mil tons)	Weight (% of total)
NONDURABLE GOODS		
Newspapers	7.4	4.6%
Books	0.9	0.5%
Magazines	2.5	1.5%
Office Papers	4.7	2.9%
Telephone Books	0.5	0.3%
Third Class Mail	3.6	2.2%
Other Commercial Printing	4.5	2.7%
Tissue Paper and Towels	3.2	2.0%
Paper Plates and Cups	0.7	0.4%
Plastic Plates and Cups	0.3	0.2%
Trash Bags	0.8	0.5%
Disposable Diapers		
Diaper materials	0.9	0.5%
Urine and Feces	1.7	1.1%
Subtotal diapers	2.6	1.6%
Other Nonpackaging Paper	3.8	2.3%
Clothing and Footwear	3.6	2.5%
Towels, Sheets and Pillowcases	0.9	2.5%
Other Miscellaneous Nondurables	3.2	2.0%
Total Nondurable Goods	43.1	26.6%

*MSW—Municipal Solid Waste

Source: U.S. Environmental Protection Agency/Franklin Associates, Ltd., 1992.

The Fourth Annual Consumer Solid Waste: Awareness Attitude and Behavior Study was conducted in June 1992 for Gerstman + Myers, a design consulting firm based in New York. A total of 319 in-person interviews were completed nationwide with female heads of households aged 21–54 who are responsible for the household grocery shopping. This survey indicated that many consumers are making purchasing decisions based on environmental concerns and on a company's environmental reputation.

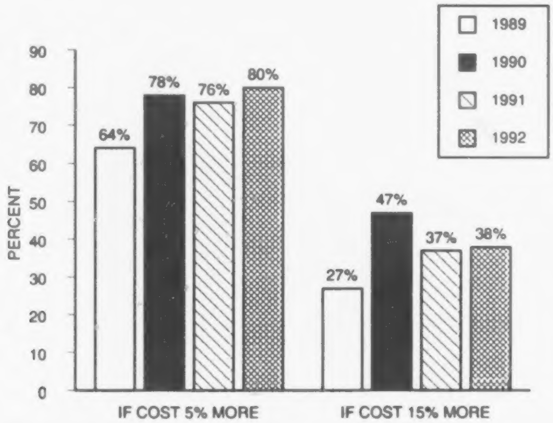
CONSUMER ATTITUDES REGARDING THE ENVIRONMENT



*CSW—Consumer Solid Waste

Source: Gerstman + Meyers, 1992.

CONSUMERS WHO WOULD SWITCH TO ENVIRONMENTAL CONTAINER EVEN IF PRICE WERE HIGHER



Source: Gerstman + Meyers, 1992.

MEDIA

- DIRECT MAIL
- CATALOG
- TELEPHONE
- PRINT/PROMOTION
- TELEVISION

• DIRECT MAIL

CONSUMER ATTITUDES

BUYING HABITS

COSTS

TRENDS

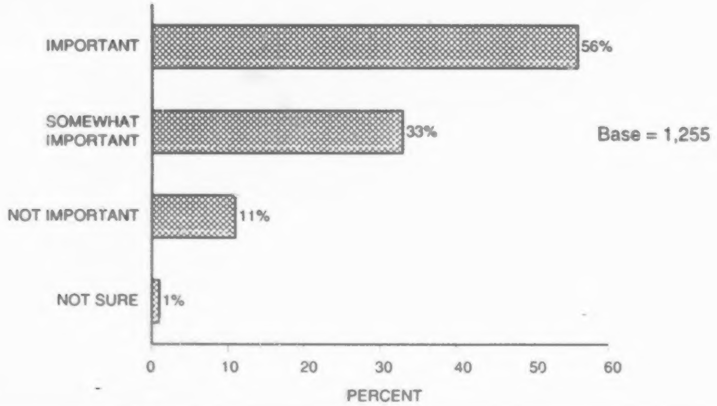
PROJECTIONS

ENVIRONMENTAL CONCERNS

ATTITUDES TOWARD BEING ALLOWED TO OPT OUT OF HAVING NAME PASSED TO OTHER COMPANIES FOR USE IN DIRECT MAIL

Reactions to the idea that one could opt out of having one's name passed to other companies for use in direct mail are extremely positive. Only 11% say that this idea is not of any importance to them. A majority (56%) say that this opportunity to opt out would be very important.

Some businesses pass on the names and addresses of their customers to other businesses who then use them for direct mail. One suggestion is that these businesses should let their customers check a box to say they do not want their names passed on to other companies, i.e., to opt out of receiving direct mail. Which of the following comes closest to your view?



Source: Harris-Equifax Consumer Privacy Survey, Equifax, Inc., 1991.

AWARENESS OF NAME REMOVAL PROCEDURES

More than two-fifths of the population (44%) claim that they are aware of procedures to remove names from direct mail lists. Knowledge of this possibility is higher among the college-educated; 60% or more of college graduates know about it.

	AWARE OF NAME REMOVAL PROCEDURES	
	Total	**Percent**
Total	***1255***	***44%***
Age		
18-29	299	37%
30-49	481	46
50 and over	463	46
Education		
Less than high school	121	30
High school graduate	452	38
Some college	301	50
College graduate	223	60
Post graduate	152	63
Race/Ethnicity		
White	1067	47
Black	130	29
Hispanic	58	26

Source: Harris-Equifax Consumer Privacy Survey, Equifax, Inc., 1991.

WHETHER WANT NAME REMOVED FROM ALL, SOME OR NO MAILING LISTS

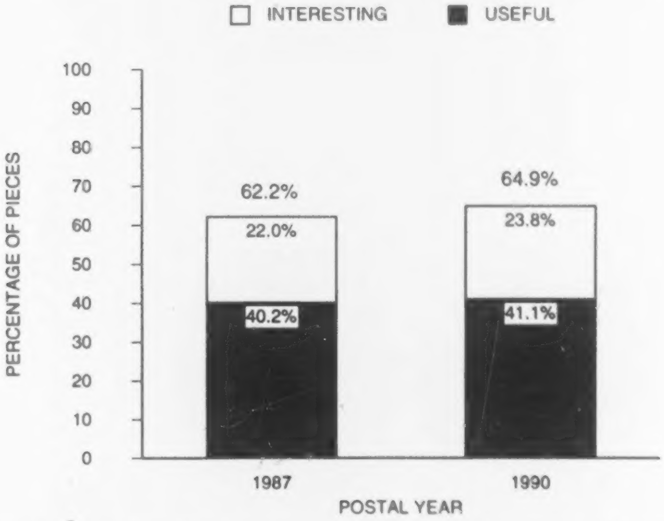
A substantial majority of all groups, and particularly among younger Americans, would like to have their names removed from some but not all lists. About a fifth (22%) of adults would like to have their names removed from all direct mail lists; this rises to 31% among people aged 50 and over.

		AGE		
	Total	**18-29**	**30-49**	**50 and Over**
Base	*1255*	*299*	*481*	*463*
All lists	22%	12%	20%	31%
Some lists	64	71	66	57
No lists	13	16	13	10
Not sure	1	1	1	2

Source: Harris-Equifax Consumer Privacy Survey, Equifax, Inc., 1991.

ATTITUDE TOWARD ADVERTISING MAIL
PERCENTAGE OF PIECES FOUND USEFUL OR INTERESTING

Although households claim, in general, that they would like to receive less advertising mail, when asked about actual pieces they receive, they find more than 60 percent useful or interesting.

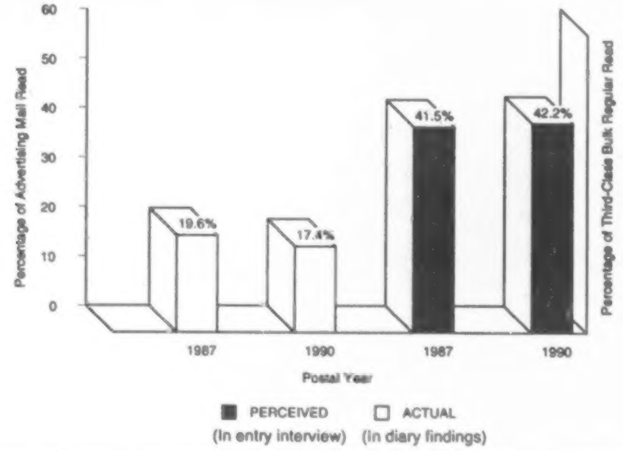


Source: USPS Household Diary Study, 1991

TREATMENT OF ADVERTISING MAIL

PERCENTAGE OF PIECES READ COMPLETELY

Most household heads say, in general, that they wish they got less advertising mail, but when asked about specific pieces they receive, they find a substantial majority of these pieces useful or interesting. In addition, households read a much higher proportion of their advertising mail than they think they do. The graph below shows the difference between the percentage of third class mail households perceive they read versus what they actually read.

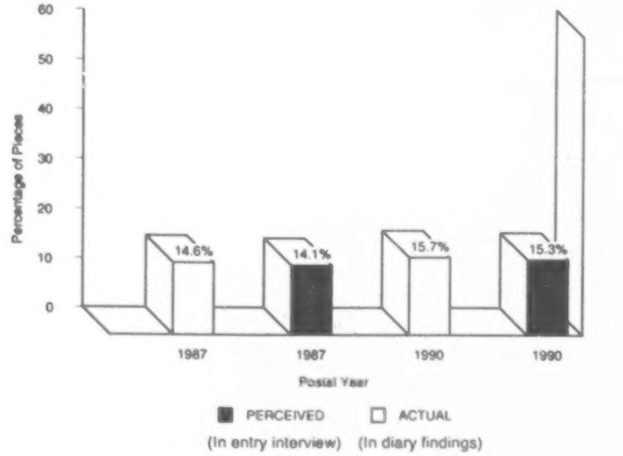


Source: USPS Household Diary Study, 1987–1991.

THIRD-CLASS BULK REGULAR MAIL: INTENDED RESPONSE

PERCENTAGE OF PIECES "WILL DEFINITELY RESPOND"

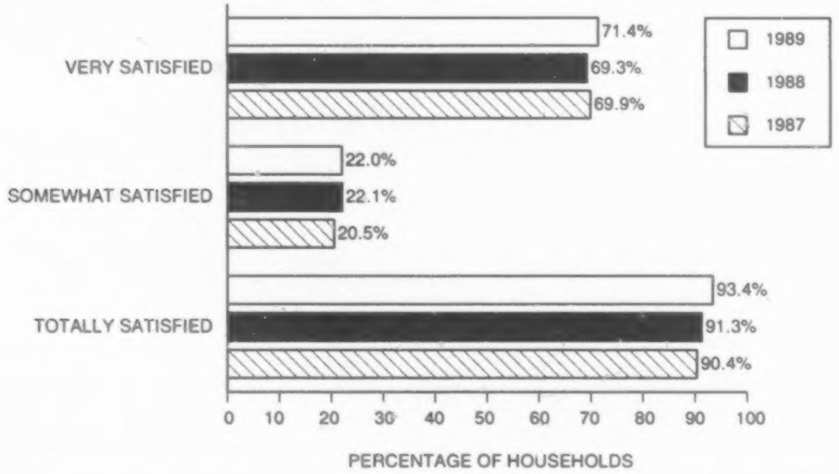
Not only do households find their advertising mail useful and interesting, but they also respond to a large portion of it.



Source: USPS Household Diary Study, 1991

SATISFACTION WITH SERVICE FROM COMPANY HOUSEHOLD DID MAIL-ORDER BUSINESS WITH

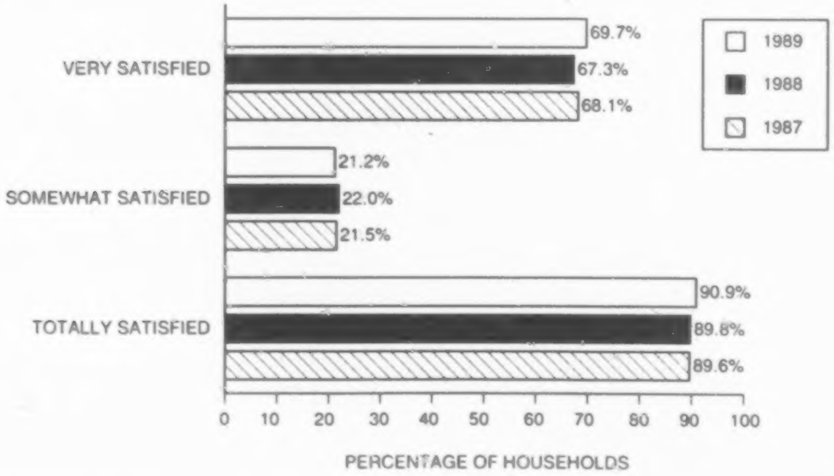
(ONLY ANSWERED IF ORDERED IN PAST YEAR)
POSTAL YEARS 1987, 1988 AND 1989



Source: USPS Household Diary Study, 1988, 1989, 1990

SATISFACTION WITH MERCHANDISE RECEIVED THROUGH THE MAIL

(ANSWERED ONLY IF ORDERED IN PAST YEAR)
POSTAL YEARS 1987, 1988 & 1989



Source: USPS Household Diary Study, 1988, 1989, 1990

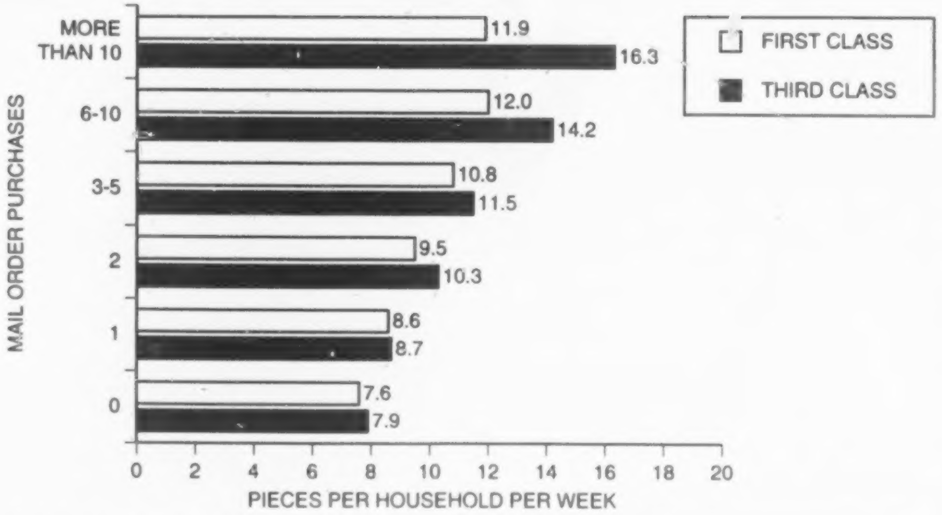
TREATMENT OF THIRD-CLASS REGULAR MAIL PIECE BY SHAPE
AS PERCENTAGE OF MAIL PIECES RECEIVED BY HOUSEHOLDS

Postcards and newspapers/magazines were more likely to be read in 1990 vs. 1988 than other types of mail pieces.

	Letter-size Envelope		Larger Than Letter Envelope		Detached Label Card		Post-Card		Catalog in an Envelope		Flyers		Newspapers/ Magazines	
	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990
Read	43.6	**45.2**	44.4	**43.6**	28.9	**29.6**	46.6	**56.3**	42.4	**42.2**	39.8	**40.6**	36.9	**45.9**
Looked at, But not Read	26.2	**26.6**	27.0	**27.9**	32.6	**32.0**	24.4	**21.5**	27.5	**28.4**	28.3	**28.4**	16.0	**19.3**
Discarded	16.5	**16.8**	15.3	**15.6**	24.7	**23.7**	18.7	**12.5**	8.9	**8.8**	15.5	**17.2**	10.7	**12.6**
Set Aside	4.6	**4.8**	8.9	**7.7**	3.8	**3.6**	3.3	**2.8**	16.9	**16.3**	6.6	**6.2**	9.6	**12.2**
Don't Know/ No Response	9.2	**6.7**	6.4	**5.3**	10.1	**11.1**	7.0	**6.9**	4.3	**4.3**	9.9	**7.6**	26.8	**10.1**
Total Mail Received by Households	100.0	**100.0**	100.0	**100.0**	100.0	**100.0**	100.0	**100.0**	100.0	**100.0**	100.0	**100.0**	100.0	**100.0**

Source: USPS Household Diary Study, 1991.

RECEIPT OF FIRST- AND THIRD-CLASS MAIL BY NUMBER OF MAIL ORDER PURCHASES MADE IN THE PAST YEAR
POSTAL YEAR 1990

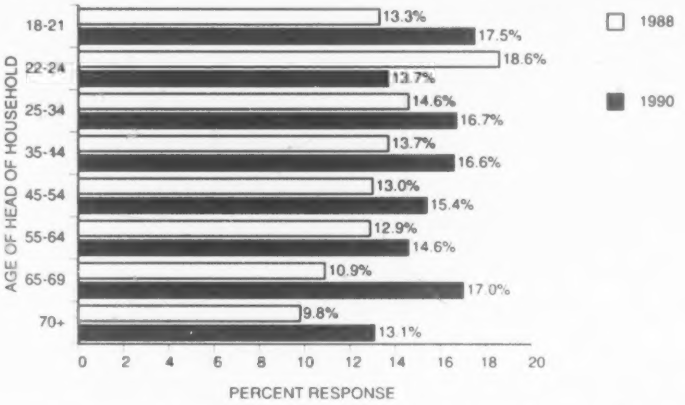


Source: USPS Household Diary Study, 1991

RESPONSE TO THIRD-CLASS BULK REGULAR MAIL PIECE BY AGE OF HEAD OF HOUSEHOLD

(INDICATING WILL RESPOND)
POSTAL YEARS 1990 & 1988

Results indicate an increase in most age groups in those individuals indicating they will respond to a third-class mail piece in 1990 vs. 1988.

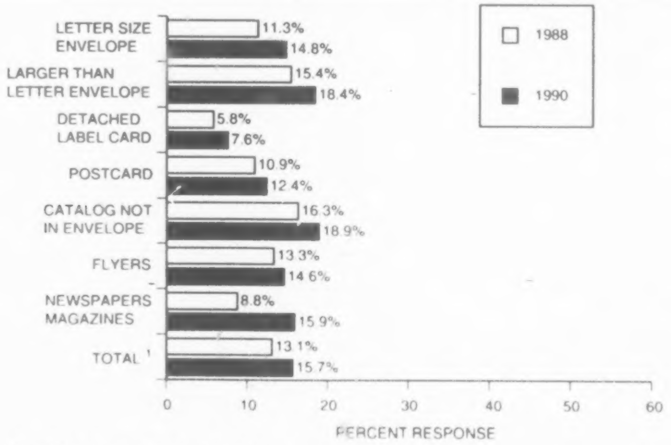


Source: USPS Household Diary Study, 1991

RESPONSE TO THIRD-CLASS BULK REGULAR ADVERTISING BY SHAPE

PERCENT INDICATING WOULD RESPOND
(IF MAIL PIECE CONTAINED ADVERTISING OR REQUEST FOR DONATION)

In 1990, a greater proportion of those surveyed indicated they would respond if the mail piece contained advertising or a request for donation. The most noticeable increase is for newspapers/magazines.

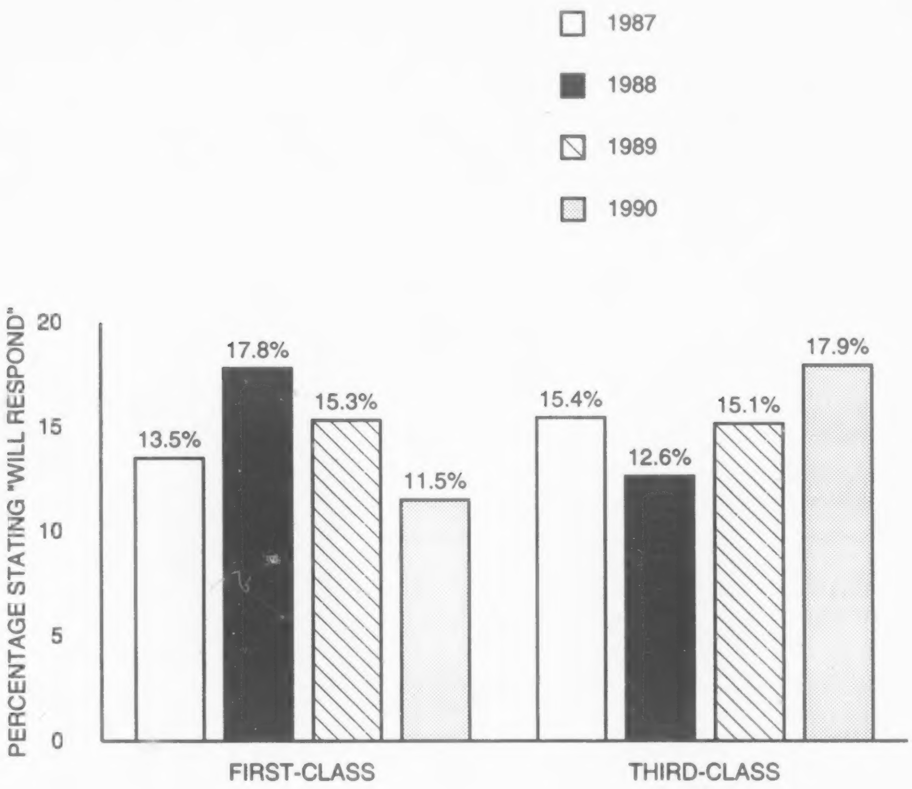


[1] Total includes pieces for which no response was given as to shape

Source: USPS Household Diary Study, 1991

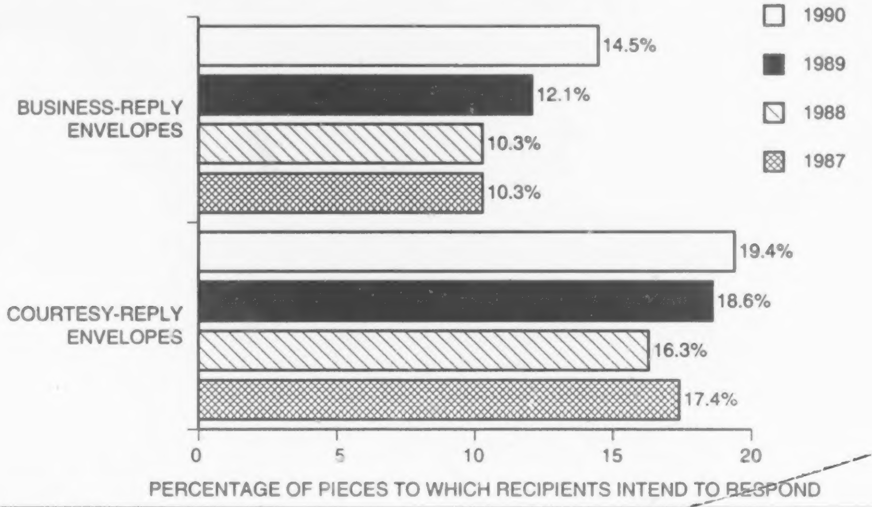
RESPONSE RATES TO MAIL ORDER SOLICITATIONS: FIRST-CLASS vs. THIRD-CLASS

PERCENTAGE OF PIECES



Source: USPS Household Diary Study, 1991.

INTENDED RESPONSE RATES FOR MAIL ORDER SOLICITATIONS BY ENCLOSURE OF REPLY ENVELOPES/CARDS

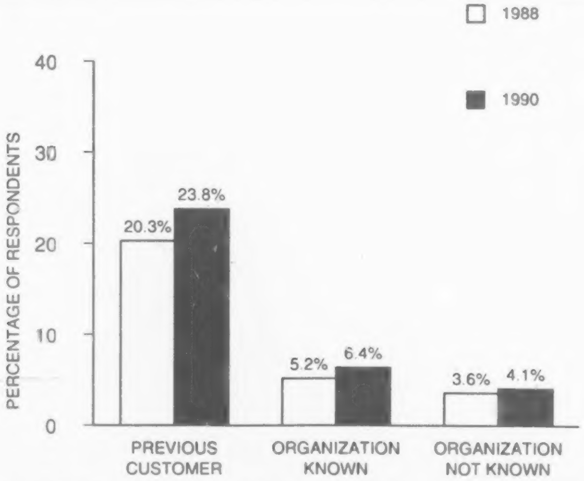


Source: USPS Household Diary Study, 1991.

THIRD-CLASS BULK REGULAR RESPONSE TO ADVERTISING BY FAMILIARITY WITH ORGANIZATION

(WOULD RESPOND TO ADVERTISING IF PIECES CONTAINED AN ADVERTISEMENT OR REQUEST FOR DONATION AND WAS FROM ONE ORGANIZATION ONLY)

As in 1988, those surveyed in 1990 were more likely to respond to the indicated advertising if they were previous customers.



Source: USPS Household Diary Study, 1989 & 1991.

THIRD-CLASS BULK REGULAR MAIL REACTION BY SELECTED INDUSTRY
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

In most cases a greater proportion of those surveyed in 1990 would consider responding to the mail they received via third-class bulk regular mail.

	Percent Pieces Read Immediately and Completely		Percent Pieces Found Useful		Percent Pieces Considering Responding To[1]	
	1988	1990	1988	1990	1988	1990
FINANCIAL						
CREDIT CARD	37.8	39.2	28.3	26.2	8.4	10.1
BANK	33.9	42.5	25.3	34.6	4.5	5.2
SECURITIES BROKER	48.6	43.4	53.3	58.3	5.0	13.3
MONEY MARKET	49.9	37.4	39.5	53.6	0.0	2.2
INSURANCE	29.7	35.4	25.1	28.1	3.9	5.9
REAL ESTATE/MORTGAGE	26.9	35.6	13.3	21.2	2.0	2.2
TOTAL FINANCIAL	**34.4**	**38.8**	**27.5**	**30.9**	**5.2**	**7.0**
MERCHANTS						
SUPERMARKET	42.3	39.9	53.2	49.5	26.9	31.8
DEPARTMENT STORE	47.1	47.1	56.1	53.3	15.5	16.4
MAIL ORDER	40.2	42.0	38.9	44.8	13.8	17.9
OTHER STORE	41.2	43.2	45.3	45.6	11.9	16.4
PUBLISHER	40.5	41.2	35.2	36.0	15.4	18.2
LAND PROMOTION	36.0	38.0	6.4	13.2	3.8	4.9
RESTAURANT	49.6	49.5	41.8	42.3	21.2	27.2
MANUFACTURER	63.5	58.3	62.2	55.5	23.9	26.6
AUTO DEALER	40.7	40.5	27.3	28.0	5.6	7.2
MALL	35.2	26.0	38.1	27.7	6.2	13.3
TOTAL MERCHANTS	**42.8**	**43.6**	**43.9**	**44.9**	**15.0**	**18.0**
SERVICES						
TELEPHONE	51.6	54.6	44.0	46.2	8.8	12.4
ELECTRIC/GAS/WATER	54.3	56.7	46.7	58.1	11.2	29.9
MEDICAL	44.0	42.1	42.7	31.2	4.8	8.1
OTHER PROFESSIONAL	61.6	67.3	38.1	48.8	8.6	17.3
LEISURE SERVICE	45.4	48.3	33.9	44.3	11.4	13.5
CABLE TV	45.0	39.7	46.1	33.8	9.2	10.2
COMPUTER	41.9	30.9	54.2	36.0	7.8	6.7
TOTAL SERVICES	**45.3**	**44.3**	**39.2**	**37.5**	**8.5**	**11.4**
GOVERNMENT						
STATE & LOCAL GOVT.	46.6	54.2	51.9	51.9	17.2	33.0
SOCIAL, CHARITABLE OR POLITICAL						
UNION/PROFESSIONAL	61.8	56.0	54.3	60.9	17.9	8.9
CHURCH	58.8	81.1	46.3	73.5	7.7	21.8
EDUCATIONAL	43.6	45.7	43.6	47.1	9.2	10.4
CHARITIES	35.9	41.2	29.6	26.2	4.8	11.3
POLITICAL	41.4	41.9	31.3	28.1	12.8	7.6
AARP	62.6	52.5	68.9	56.3	28.0	25.5
TOTAL SOCIAL, CHARITABLE OR POLITICAL	**47.2**	**49.0**	**42.1**	**42.2**	**7.3**	**11.4**

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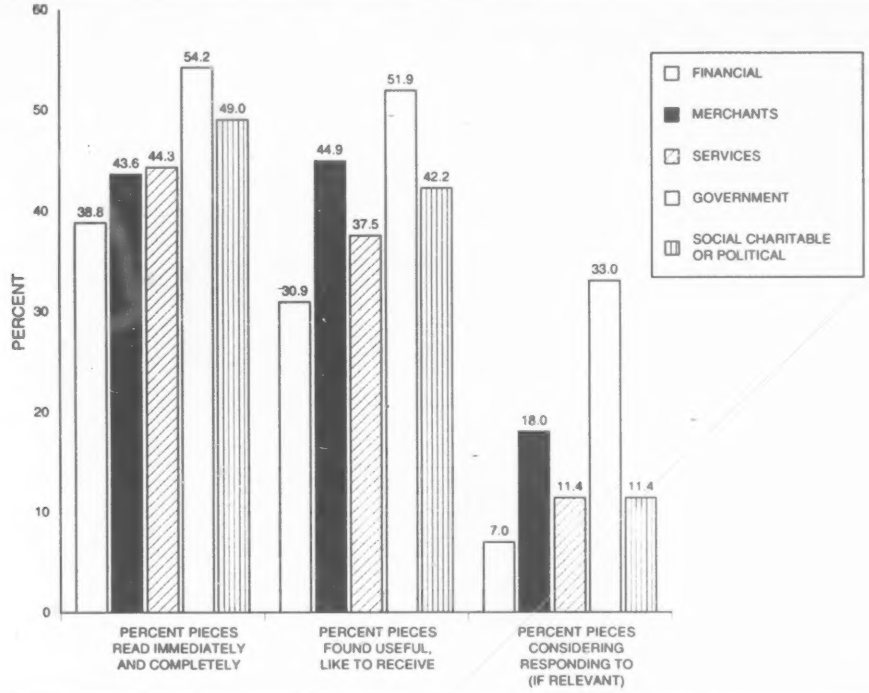
[1] Of pieces containing an advertisement or a request for funds

Source: USPS Household Diary Study, 1989 & 1991

CONSUMER TREATMENT OF THIRD-CLASS MAIL BY SELECTED INDUSTRY

AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

Respondents were most likely to read, find useful, and respond to third-class mail from the government sector.



Source: USPS Household Diary Study, 1991.

RESPONSE TO THIRD-CLASS BULK REGULAR ADVERTISING BY EDUCATION OF HEAD OF HOUSEHOLD

POSTAL YEARS 1988, 1989, 1990

Education of Household Head	Read Immediately (Percent)			Found Useful (Percent)			Considering Responding[1] (Percent)		
	1988	1989	**1990**	1988	1989	**1990**	1988	1989	**1990**
Less than 8th Grade	42.1	47.3	**43.0**	37.4	38.6	**37.9**	11.9	14.1	**16.7**
Some High School	47.7	44.5	**47.2**	42.2	39.5	**41.1**	15.3	15.6	**15.4**
High School	44.6	44.0	**44.3**	39.6	43.2	**42.4**	13.2	15.4	**16.0**
Some College	43.5	43.3	**43.9**	42.4	40.8	**42.2**	13.5	18.3	**16.6**
Professional or Technical School	42.2	39.0	**45.8**	43.3	44.2	**43.5**	13.2	14.8	**17.3**
College Grad	36.1	40.6	**37.9**	39.5	42.6	**39.7**	12.2	13.6	**15.1**
Post-Graduate	33.2	34.7	**38.0**	39.0	38.8	**39.0**	12.6	15.0	**13.9**

[1] Of pieces identified by respondents as containing an advertisement or request for funds.

Source: USPS Household Diary Study, 1991.

RESPONSE TO THIRD-CLASS BULK REGULAR MAIL PIECE BY INCOME

POSTAL YEARS 1988 & 1990

A greater proportion of those surveyed indicate they will consider responding to third-class bulk regular mail pieces in 1990 than in 1988. This result occurred across most income groups.

	READ IMMEDIATELY			
	Percent		Pieces Per Household Per Week	
Income	1988	1990	1988	1990
Less than $7K	37.8	41.9	1.6	1.7
$7K—$9.9K	48.5	46.3	2.3	2.1
$10K—$14.9K	44.7	44.7	2.7	2.1
$15K—$19.9K	47.1	49.8	3.0	3.6
$20K—$24.9K	44.7	47.5	3.3	2.9
$25K—$29.9K	41.6	41.6	3.2	3.0
$30K—$34.9K	40.5	45.5	3.6	3.5
$35K—$49.9K	41.3	43.6	4.0	4.1
$50K—$64.9K	36.7	37.9	4.3	4.0
$65K—$79.9K	38.2	35.8	4.6	4.2
$80K—$99.9K	43.6	39.1	6.1	4.6
$100K+	33.2	37.1	4.1	4.7

	FOUND USEFUL			
	Percent		Pieces Per Household Per Week	
Income	1988	1990	1988	1990
Less than $7K	36.4	36.2	1.6	1.4
$7K—$9.9K	38.7	42.4	1.8	1.9
$10K—$14.9K	37.3	41.7	2.2	1.9
$15K—$19.9K	42.4	47.4	2.7	3.5
$20K—$24.9K	42.6	45.0	3.1	2.8
$25K—$29.9K	42.7	39.5	3.3	2.9
$30K—$34.9K	39.7	41.3	3.5	3.2
$35K—$49.9K	41.3	43.6	4.0	4.1
$50K—$64.9K	41.0	39.5	4.8	4.1
$65K—$79.9K	42.2	38.9	5.1	4.6
$80K—$99.9K	42.7	39.2	4.9	4.6
$100K+	34.7	38.1	4.3	4.8

	CONSIDERING RESPONDING[1]			
	Percent		Pieces Per Household Per Week	
Income	1983	1990	1988	1990
Less than $7K	11.5	12.8	0.4	0.4
$7K—$9.9K	13.9	14.5	0.5	0.6
$10K—$14.9K	12.1	15.9	0.6	0.7
$15K—$19.9K	16.4	19.9	0.9	1.3
$20K—$24.9K	16.6	19.6	1.0	1.1
$25K—$29.9K	13.8	15.2	0.9	1.0
$30K—$34.9K	14.2	17.9	1.1	1.2
$35K—$49.9K	13.8	16.7	1.2	1.4
$50K—$64.9K	11.9	15.9	1.2	1.5
$65K—$79.9K	8.8	12.6	0.9	1.3
$80K—$99.9K	15.7	14.6	1.6	1.6
$100K+	9.6	12.7	1.0	1.5

[1] Of pieces identified by respondents as containing an advertisement or request for funds.

Source: USPS Household Diary Study, 1991.

NUMBER OF MAIL ORDER PURCHASES*
WITHIN THE LAST YEAR BY INCOME
POSTAL YEARS 1987, 1988, 1989 AND 1990
(PERCENTAGE OF HOUSEHOLDS)

POSTAL YEARS 1987, 1988, 1989** AND 1990**

Number of	Under $7k				$7k–$9.9k				$10k–$14.9k				$15k–$19.9k			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	64.7	60.3	59.6	68.7	55.7	66.6	59.8	61.5	48.4	55.4	48.9	56.4	43.0	50.9	43.8	51.4
1-2	16.5	18.0	14.3	15.0	18.0	15.5	19.9	18.4	15.9	19.1	17.4	24.5	22.3	19.2	25.2	15.5
3-5	11.4	13.3	16.1	12.0	18.9	8.6	10.1	13.7	20.4	15.9	15.7	11.5	21.2	15.9	17.6	17.2
6-10	3.3	6.5	5.4	0.6	5.1	7.2	5.5	3.4	7.4	4.4	10.3	4.2	9.4	8.6	6.7	7.8
11-15	1.6	0.8	2.5	0.2	1.6	0.4	2.6	1.1	4.4	2.0	4.5	2.0	2.5	1.9	3.8	3.3
16-30	1.8	1.0	0.3	1.6	0.5	1.3	0.7	1.8	1.2	1.7	1.6	0.1	0.9	2.2	1.5	2.5
30+	0.2	0.0	0.5	0.2	0.3	0.2	0.1	0.0	0.5	0.0	0.9	0.3	0.3	0.4	0.6	1.4
Don't Know/No Answer	0.5	0.1	1.2	1.5	0.0	0.3	1.3	0.2	1.8	1.5	0.6	0.1	0.5	0.8	0.9	0.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Number of	$20k–$24.4k				$25k–$29.9k				$30k–$34.9k				$35k–$49.9k			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	41.8	42.8	44.0	45.5	39.0	41.9	37.0	47.2	34.4	41.8	35.6	43.3	28.7	35.3	32.6	36.9
1-2	21.3	20.6	19.2	23.3	19.4	20.7	20.8	16.7	21.9	20.5	21.0	23.0	22.5	20.4	17.4	21.0
3-5	20.6	16.7	20.9	16.5	21.9	14.7	24.4	19.9	19.2	19.9	21.2	17.0	25.4	20.8	23.2	18.1
6-10	8.0	11.2	10.0	7.9	11.6	14.3	11.7	11.5	13.8	9.4	10.9	10.6	11.7	12.5	12.0	13.5
11-15	2.4	4.6	3.1	3.5	4.1	3.6	2.4	3.1	4.6	4.2	5.4	2.8	5.3	5.5	6.0	4.6
16-30	2.9	2.0	1.4	2.3	3.1	3.8	1.9	1.3	3.9	2.7	3.7	2.5	3.5	4.2	5.4	4.3
30+	0.5	2.0	0.8	0.0	0.6	0.7	1.2	0.3	0.7	1.0	0.9	0.3	0.8	0.7	2.3	0.7
Don't Know/No Answer	2.5	0.3	0.2	0.2	0.3	0.4	0.2	0.1	1.5	0.6	1.1	0.4	1.9	0.7	0.9	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Number of	$50k–$64.9k				$65k–Over				Total			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	29.4	28.5	35.5	38.0	33.5	18.0	30.6	36.0	42.2	44.9	42.5	46.7
1-2	19.7	18.7	16.5	19.5	11.6	28.0	21.1	17.0	19.6	19.8	18.5	19.9
3-5	19.6	21.3	20.0	20.6	21.3	22.8	20.0	17.0	19.5	16.8	19.1	16.1
6-10	13.4	17.1	17.2	11.2	18.8	12.9	15.3	14.0	10.0	10.2	10.7	9.5
11-15	8.8	5.3	2.7	6.0	7.9	6.1	7.1	7.0	3.9	3.6	4.0	3.5
16-30	4.8	3.1	4.5	2.8	5.0	7.3	5.9	4.0	2.5	2.8	3.0	2.4
30+	3.3	3.8	2.9	1.2	0.3	3.4	1.2	4.0	0.7	1.2	1.1	1.0
Don't Know/No Answer	1.1	2.3	0.8	0.7	1.5	0.9	1.2	0.0	1.4	0.8	1.0	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* = FROM ENTRY INTERVIEW

** = THE 1989 AND 1990 FIGURES ONLY REFLECT ORDERS MADE AS A RESULT OF RECEIVING SALES, ADVERTISING OR PROMOTIONAL MATERIAL IN THE MAIL

Source: USPS Household Diary Study, 1988, 1989, 1990, 1991.

NUMBER OF MAIL ORDER PURCHASES*
WITHIN THE LAST YEAR BY EDUCATION OF HOUSEHOLD HEAD
POSTAL YEARS 1987, 1988, 1989 AND 1990
(PERCENTAGE OF HOUSEHOLDS)

POSTAL YEARS 1987, 1988, 1989** AND 1990**

Number of	<8th Grade				Some High School				High School				Some College			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	65.5	66.7	64.4	72.6	53.9	58.3	48.0	60.8	41.7	46.2	46.0	49.7	38.0	40.7	40.4	42.3
1—2	14.8	12.9	13.8	12.9	16.8	16.6	20.8	18.2	22.5	22.2	17.2	22.3	20.7	21.3	20.5	18.7
3—5	10.7	10.9	12.3	6.4	17.2	14.7	10.1	13.1	19.0	14.8	18.8	14.3	22.0	17.6	19.3	18.2
6—10	4.7	8.3	6.5	3.5	6.1	6.5	9.2	5.0	9.1	9.2	10.5	8.0	11.1	12.1	10.6	10.6
11—15	2.9	0.4	0.9	2.5	2.4	2.2	4.9	1.3	4.1	3.0	2.8	2.3	2.7	3.6	3.7	4.9
16—30	0.5	0.7	0.1	0.1	1.1	1.1	1.6	1.4	2.4	3.0	2.5	1.7	2.8	2.5	2.7	2.8
30+	0.2	0.0	1.5	0.1	0.5	0.3	0.3	0.1	0.6	0.7	1.0	0.5	0.5	1.2	1.7	2.1
Don't Know/No Answer	0.7	0.2	0.6	1.8	2.1	0.5	1.0	0.2	0.8	1.0	1.3	1.0	2.1	1.1	1.0	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Number of	Tech School				College				Post Grad				Total			
Purchases	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
0	37.2	42.3	36.7	31.0	38.0	38.1	32.2	38.8	27.0	27.1	29.8	31.2	42.2	44.9	42.5	46.7
1—2	16.3	18.8	22.7	19.9	18.5	18.2	19.1	18.8	19.5	21.0	17.4	21.7	19.6	19.8	18.5	19.9
3—5	20.2	18.6	19.6	26.4	21.8	20.8	25.0	18.0	22.7	22.3	19.9	22.8	19.5	16.9	19.1	16.1
6—10	12.8	9.5	13.1	12.7	11.9	11.3	10.9	13.7	16.4	15.2	16.1	12.4	10.0	10.2	10.7	9.5
11—15	6.2	3.9	3.6	5.4	4.1	5.9	6.6	4.9	7.2	5.5	6.4	5.2	3.9	3.6	4.0	3.5
16—30	3.7	5.2	2.4	3.1	2.6	2.8	4.0	3.2	5.2	5.5	8.4	4.9	2.5	2.8	3.0	2.4
30+	2.6	0.6	0.8	1.4	0.9	1.9	1.3	5.7	1.1	2.6	1.1	1.5	0.7	1.2	1.1	1.0
Don't Know/No Answer	1.2	1.1	1.1	0.2	2.1	1.1	0.7	1.3	1.3	1.0	0.9	0.2	1.4	0.8	1.0	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* = FROM ENTRY INTERVIEW

** = THE 1989 AND 1990 FIGURES ONLY REFLECT ORDERS MADE AS A RESULT OF RECEIVING SALES, ADVERTISING OR PROMOTIONAL MATERIAL IN THE MAIL

Source: USPS Household Diary Study, 1988, 1989, 1990, 1991

TOTAL POPULATION ORDERING FROM OFFERS IN DIRECT MAIL PIECES
(NOT CATALOGS)

The 1991 Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 23,555 adults, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results were then projected to reflect the entire adult U.S. population, estimated to be 182,456,000 in 1991.

	1991 Total U.S. (000)	1991 Total U.S. Buyers (000)	% Any Product
Total Adults	182,456	18,471	10.1
Males	87,118	7,337	8.4
Females	95,338	11,134	11.7
18-24	25,530	2,047	8.0
25-34	44,118	4,484	10.2
35-44	37,521	4,229	11.3
45-54	25,346	2,598	10.3
55-64	21,009	2,653	12.6
65 or Older	28,934	2,461	8.5
Graduated College	35,347	4,033	11.4
Attended College	35,167	4,487	12.8
Graduated High School	70,823	7,002	9.9
Did Not Graduate High School	41,119	2,950	7.2
Professional/Manager	31,819	3,619	11.4
Tech/Clerical Sales	39,581	5,473	13.8
Precision/Craft	14,839	1,198	8.1
Other Employed	39,001	3,103	8.0
Single	40,179	3,499	8.7
Married	108,808	12,141	11.2
Divorced/Widowed/Separated	33,469	2,831	8.5
Parents	60,855	6,376	10.5
Northeast—Census	38,593	3,885	10.1
Midwest	44,281	5,150	11.6
South	62,591	5,934	9.5
West	36,991	3,503	9.5
Household Income			
$75,000 or More	21,409	2,615	12.2
$60,000 or More	36,836	4,497	12.2
$50,000 or More	53,155	6,304	11.9
$40,000 or More	75,291	8,832	11.7
$30,000 or More	102,396	11,667	11.4
$30,000-$39,999	27,105	2,835	10.5
$20,000-$29,999	30,317	3,101	10.2
$10,000-$19,999	29,855	2,552	8.5
Under $10,000	19,888	1,152	5.8
Household Size			
1 Person	23,383	1,791	7.7
2 People	59,547	6,308	10.6
3 or 4 People	72,643	7,394	10.2
5 or More People	26,884	2,979	11.1
Children			
No Children in Household	109,702	11,046	10.1
Children Under 2 Years	15,048	1,195	7.9
2-5 Years	25,473	2,721	10.7
6-11 Years	34,011	3,709	10.9
12-17 Years	33,774	3,584	10.6
Residence Owned	124,747	14,060	11.3
Value: $70,000 or More	69,554	8,180	11.8
Less than $70,000	55,193	5,880	10.7

Source: Simmons Market Research Bureau 1991 Study of Media and Markets

TOTAL POPULATION ORDERING BY MAIL
BY DEMOGRAPHIC CATEGORY

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults in 1990, and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990, and 182,456,000 in 1991.

	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	1991 Total U.S. (000)	1991 Total U.S. Buyers (000)	% Any Product	% Change from 1990 to 1991 Total Buyers	Total Change in Buyers by Mail 1990–1991 (000)
TOTAL ADULTS	181,131	84,501	46.7	182,456	82,760	45.4	-2.06%	-1,741
MALES	86,476	34,937	40.4	87,118	35,164	40.4	+0.65%	+227
FEMALES	94,655	49,564	52.4	95,338	47,596	49.9	-3.97%	-1,968
18-24	25,507	10,019	39.3	25,530	10,010	39.2	-0.09%	-9
25-34	43,858	21,308	48.6	44,118	19,209	43.5	-9.85%	-2,099
35-44	36,206	18,617	51.4	37,521	18,631	49.7	+0.08%	+14
45-54	24,795	12,026	48.5	25,346	12,377	48.8	+2.92%	+351
55-64	21,496	10,133	47.1	21,009	10,804	51.4	+6.62%	+671
65 OR OLDER	29,268	12,398	42.4	28,934	11,730	40.5	-5.39%	-668
GRADUATED COLLEGE	34,578	19,576	56.6	35,347	18,818	53.2	-3.87%	-758
ATTENDED COLLEGE	33,812	17,615	52.1	35,167	17,586	50.0	-0.16%	-29
GRADUATED HIGH SCHOOL	71,180	33,086	46.5	70,823	32,150	45.4	-2.83%	-936
DID NOT GRADUATE HIGH SCHOOL	41,560	14,224	34.2	41,119	14,206	34.5	-0.13%	-18
PROFESSIONAL/MANAGER	31,879	18,546	58.2	31,819	17,043	53.6	-8.10%	-1,503
TECHNICAL/CLERICAL/SALES	37,678	19,575	52.0	39,581	19,772	50.0	+1.01%	+197
PRECISION/CRAFT	14,826	5,769	38.9	14,839	5,763	38.8	-0.10%	-6
OTHER EMPLOYED	35,775	14,737	41.2	39,001	16,277	41.7	+10.45%	+1,540
SINGLE	39,788	16,495	41.5	40,179	15,492	38.6	-6.08%	-1,003
MARRIED	108,473	54,235	50.0	108,808	53,102	48.8	-2.09%	-1,133
DIVORCED, SEPARATED, WIDOWED	32,870	13,771	41.9	33,469	14,166	42.3	+2.87%	+395
PARENTS	60,843	29,909	49.2	60,855	28,510	46.8	-4.68%	-1,399
NORTHEAST-CENSUS	38,551	18,676	48.4	38,593	16,798	43.5	-10.06%	-1,878
MIDWEST	44,079	23,262	52.8	44,281	22,787	51.5	-2.04%	-475
SOUTH	62,458	26,657	42.7	62,591	27,792	44.4	+4.26%	+1,135
WEST	36,042	15,906	44.1	36,991	15,383	41.6	-3.29%	-523
HOUSEHOLD INCOME								
$75,000 OR MORE	N/A	N/A	N/A	21,409	11,609	54.2	N/A	N/A
$60,000 OR MORE	31,937	17,769	55.6	36,836	19,768	53.7	+11.25%	+1,999
$50,000 OR MORE	47,508	26,115	55.0	53,155	28,134	52.9	+7.73%	+2,019
$40,000 OR MORE	68,804	36,902	53.6	75,291	39,047	51.9	+5.81%	+2,145
$30,000 OR MORE	96,864	51,153	52.8	102,396	52,034	50.8	+1.72%	+881
$30,000 -$39,999	28,060	14,251	50.8	27,105	12,987	47.9	-8.87%	-1,264
$20,000-$29,999	30,796	14,217	46.2	30,317	13,766	45.4	-3.17%	-451
$10,000-$19,999	32,038	12,989	40.5	29,855	11,091	37.1	-14.61%	-1,898
UNDER $10,000	21,433	6,141	28.7	19,888	5,870	29.5	-4.41%	-271
HOUSEHOLD SIZE								
1 PERSON	23,081	9,086	39.4	23,383	8,941	38.2	-1.59%	-145
2 PEOPLE	59,128	28,164	47.6	59,547	26,998	45.3	-4.14%	-1,166
3 OR 4 PEOPLE	73,074	34,956	47.8	72,643	34,435	47.4	-1.49%	-521
5 OR MORE PEOPLE	25,847	12,295	47.6	26,884	12,387	46.1	+0.75%	+92
NO CHILD IN HOUSEHOLD	108,398	49,492	45.7	109,702	49,104	44.8	-0.78%	-388
CHILDREN UNDER 2 YEARS	15,433	7,134	46.2	15,048	6,499	43.2	-8.90%	-635
2-5 YEARS	25,280	12,758	50.5	25,473	11,587	45.5	-9.18%	-1,171
6-11 YEARS	33,718	16,578	49.2	34,011	15,370	45.2	-7.29%	-1,208
12-17 YEARS	32,401	15,586	48.1	33,774	16,209	48.0	+3.99%	+623
RESIDENCE OWNED	124,240	62,714	50.5	124,747	61,673	49.4	-1.66%	-1,041
VALUE $70,000 OR MORE	66,423	35,254	53.1	69,554	36,527	52.5	+3.61%	+1,273
VALUE LESS THAN $70,000	57,817	27,460	47.5	55,193	25,147	45.6	-8.42%	-2,313

Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets

PERCENT OF TOTAL POPULATION ORDERING PRODUCTS BY PHONE OR MAIL

Respondents ordering products by phone or mail are more likely to be females. They are also more likely to be married individuals between the ages of 35–44 who have graduated college, earn an income of at least $30,000 and own a residence valued at $70,000 or more. Respondents in the midwest at the professional/managerial level were also more likely to exhibit this buying behavior. Clothing and magazines are the products most frequently ordered via phone or mail.

	TOTAL U.S. (000)	TOTAL U.S. PRODUCT	COOK BOOKS	BOOK CLUB BOOKS	COSMETICS	RECORDS	MAGAZINES	FOOD	COSTUME JEWELRY	CLOTHING	SPORTING GOODS
TOTAL ADULTS	182,456	52.6	3.6	6.9	3.5	4.9	16.7	3.2	3.7	29.8	3.0
MALES	87,118	46.2	2.5	5.0	2.3	5.1	14.2	2.4	2.2	22.1	4.0
FEMALES	95,338	58.5	4.6	8.5	4.6	4.8	19.0	3.9	5.0	36.9	2.0
18-24	25,530	44.5	2.3	5.1	4.0	4.6	13.4	2.3	3.4	21.8	2.6
25-34	44,118	52.1	3.8	7.6	3.8	4.5	16.7	3.3	3.0	28.4	3.0
35-44	37,521	59.1	3.7	8.1	3.4	5.4	18.4	4.0	3.9	35.1	4.3
45-54	25,346	56.9	4.1	7.5	3.9	4.6	17.7	3.9	3.9	32.4	3.2
55-64	21,009	58.6	4.2	8.2	3.2	5.8	20.3	3.0	5.1	36.2	2.8
65 OR OLDER	28,934	44.0	3.4	4.1	2.6	5.0	14.2	2.2	3.4	25.4	1.3
GRADUATED COLLEGE	35,347	61.7	4.0	10.1	2.7	5.4	19.8	4.8	3.1	38.5	5.0
ATTENDED COLLEGE	35,167	58.5	4.8	8.6	4.4	5.9	20.8	3.7	3.7	34.7	3.7
GRADUATED HIGH SCHOOL	70,823	53.3	3.5	6.4	3.9	4.7	16.7	2.9	4.4	30.2	2.7
DID NOT GRADUATE HIGH SCHOOL	41,119	38.6	2.4	3.4	2.7	4.1	10.7	1.8	3.0	17.8	1.1
PROFESSIONAL/MANAGER	31,819	63.4	4.1	10.6	3.2	5.1	19.8	4.8	3.2	41.2	4.9
TECHNICAL/CLERICAL/SALES	39,581	59.1	5.2	8.1	4.7	5.3	20.6	4.3	4.6	36.2	3.1
PRECISION/CRAFT	14,839	46.8	2.2	5.3	2.6	3.7	15.1	2.0	2.6	21.7	3.8
OTHER EMPLOYED	39,001	48.6	2.8	5.9	3.4	5.4	14.6	2.0	3.1	23.9	2.9
SINGLE	40,179	43.3	3.0	5.9	3.7	4.8	12.7	1.8	3.1	22.5	2.6
MARRIED	108,808	57.8	3.5	7.8	3.5	4.9	18.6	3.7	3.8	34.1	3.4
DIVORCED, SEPARATED, WIDOWED	33,469	47.0	4.5	5.0	3.5	5.2	15.7	3.1	3.9	24.8	2.1
PARENTS	60,855	56.9	3.3	8.2	3.5	4.8	18.2	3.7	3.2	33.1	3.6
NORTHEAST-CENSUS	38,593	51.0	2.4	6.3	2.2	5.8	14.7	3.4	4.4	30.7	2.7
MIDWEST	44,281	62.0	4.0	8.0	4.6	5.7	19.2	3.2	2.5	38.1	4.0
SOUTH	62,591	50.8	3.9	6.4	3.4	4.2	17.0	3.1	4.4	26.6	2.2
WEST	36,991	46.2	3.9	6.8	3.7	4.5	15.4	3.0	3.1	24.6	3.2
HOUSEHOLD INCOME											
$75,000 OR MORE	21,409	63.5	5.1	10.8	3.6	5.5	20.2	5.1	3.6	38.8	5.2
$60,000 OR MORE	36,836	62.8	4.6	9.8	3.8	5.6	20.7	4.5	3.6	38.7	4.7
$50,000 OR MORE	53,155	61.8	4.2	9.5	3.6	5.3	19.8	4.1	3.5	37.9	4.5
$40,000 OR MORE	75,291	61.1	4.2	8.4	3.4	5.5	19.4	4.1	3.6	37.9	4.4
$30,000 OR MORE	102,396	59.9	4.0	8.1	3.4	5.3	19.3	3.9	3.7	36.2	4.1
$30,000 -$39,999	27,105	56.5	3.5	7.1	3.3	4.7	19.0	3.3	4.0	31.5	3.1
$20,000-$29,999	30,317	51.6	3.5	7.0	4.3	5.0	16.8	2.7	4.4	27.3	2.3
$10,000-$19,999	29,855	42.2	3.0	5.3	3.2	4.7	13.8	2.1	3.6	20.2	1.3
UNDER $10,000	19,888	32.2	2.3	2.8	3.4	3.6	8.1	1.7	2.7	15.5	0.6
HOUSEHOLD SIZE											
1 PERSON	23,383	42.9	3.1	5.3	2.5	5.1	13.7	1.9	2.6	24.0	1.6
2 PEOPLE	59,547	51.2	3.9	6.0	3.9	5.1	16.3	3.3	4.7	29.0	2.9
3 OR 4 PEOPLE	72,643	56.7	3.6	8.0	3.4	4.8	18.7	3.4	3.4	33.1	3.5
5 OR MORE PEOPLE	26,884	53.1	3.4	7.1	3.7	5.0	15.1	3.3	3.0	27.8	2.7
NO CHILD IN HOUSEHOLD	109,702	50.7	3.8	6.3	3.5	5.0	15.9	2.9	3.8	28.6	2.6
CHILDREN UNDER 2 YEARS	15,048	52.5	2.3	8.5	3.5	4.5	16.2	3.7	2.4	28.7	2.9
2-5 YEARS	25,473	55.5	3.0	8.5	3.3	3.4	16.7	3.1	2.8	30.7	3.3
6-11 YEARS	34,011	54.5	3.0	7.9	3.1	4.3	16.8	3.3	3.3	30.6	3.5
12-17 YEARS	33,774	55.6	3.6	7.3	4.0	5.7	18.9	3.7	4.1	31.9	3.4
RESIDENCE OWNED	124,747	57.8	3.9	7.4	3.5	5.4	18.6	3.5	4.1	34.4	3.4
VALUE $70,000 OR MORE	69,554	61.7	4.2	8.6	3.4	6.0	20.0	4.1	4.3	38.0	4.2
VALUE LESS THAN $70,000	55,193	52.9	3.6	6.0	3.7	4.7	16.8	2.6	3.8	29.9	2.5

(continued)

PERCENT OF TOTAL POPULATION ORDERING PRODUCTS BY PHONE OR MAIL
(CONTINUED FROM PAGE 62)

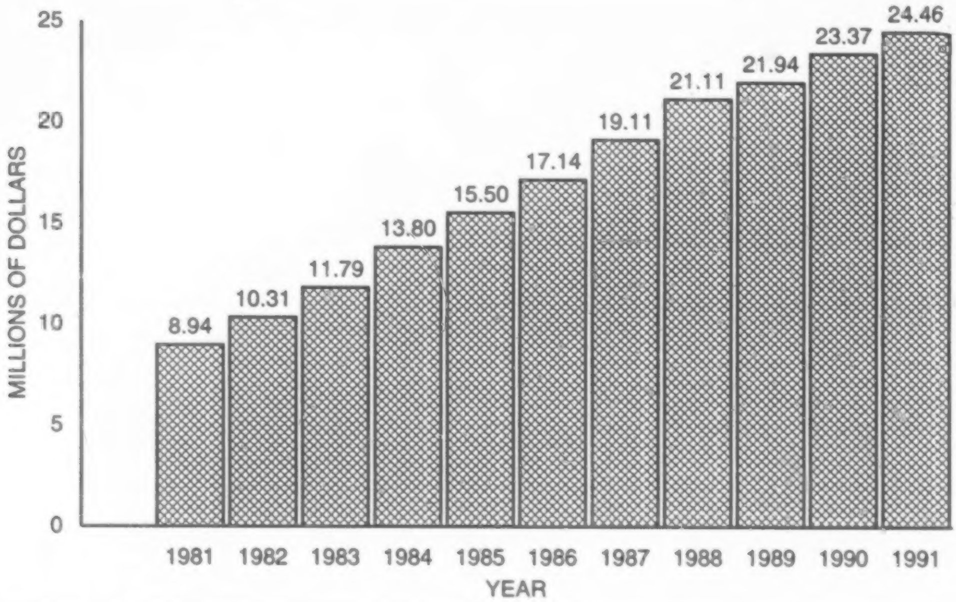
	TOYS	COOKWARE KITCHEN ACCESSORIES	TREES PLANTS, SEEDS	COMPUTER SOFTWARE	OTHER BOOKS	AUTO ACCESSORIES	SHOES OR BOOTS	AUDIO CASSETTE TAPES	TRAVEL/ TOUR INFORMATION	CREDIT CARDS	VIDEOTAPES
TOTAL ADULTS	4.3	3.9	5.1	3.3	4.5	3.5	5.2	5.7	5.4	4.5	3.3
MALES	2.7	2.9	4.0	3.8	3.6	5.1	4.2	5.3	4.5	4.2	3.1
FEMALES	5.8	4.9	6.2	2.8	5.3	2.1	6.1	6.0	6.2	4.8	3.5
18-24	2.2	2.5	2.4	2.2	2.6	3.1	2.9	6.1	2.9	5.2	2.0
25-34	5.4	3.5	3.8	3.0	3.9	3.4	4.5	6.2	5.4	4.5	3.7
35-44	6.2	4.4	5.6	4.9	6.6	4.2	5.1	4.7	5.9	5.2	3.7
45-54	3.6	4.5	6.8	4.8	4.8	3.6	6.1	6.3	6.6	3.2	4.2
55-64	5.0	5.2	7.3	3.3	5.1	4.0	7.7	7.5	7.9	5.7	3.9
65 OR OLDER	2.3	3.9	6.0	1.2	3.8	2.9	5.7	3.7	4.2	3.2	2.2
GRADUATED COLLEGE	6.1	4.7	7.2	6.4	5.3	3.9	6.9	6.9	9.6	5.8	3.8
ATTENDED COLLEGE	5.1	4.9	6.7	4.9	6.2	4.4	5.9	6.9	6.9	5.8	5.0
GRADUATED HIGH SCHOOL	4.1	3.6	4.5	2.2	4.4	3.6	5.2	5.5	4.8	4.3	3.0
DID NOT GRADUATE HIGH SCHOOL	2.5	2.9	3.0	1.0	2.5	2.4	3.1	3.8	1.6	2.6	2.0
PROFESSIONAL/MANAGER	6.1	5.1	8.1	7.3	5.7	4.7	7.1	7.1	9.4	5.5	4.1
TECHNICAL/CLERICAL SALES	5.8	4.9	5.1	4.1	5.3	3.3	5.7	6.0	6.1	5.3	3.7
PRECISION/CRAFT	4.3	3.2	3.0	2.6	3.1	5.7	3.9	5.3	3.1	2.9	2.7
OTHER EMPLOYED	2.6	2.9	3.5	2.2	3.3	3.7	4.4	5.3	4.3	4.2	3.9
SINGLE	1.5	3.0	2.9	2.1	2.9	2.7	3.5	5.9	3.4	3.7	2.7
MARRIED	5.7	4.3	6.2	4.3	5.5	3.9	5.9	5.7	6.7	5.0	3.7
DIVORCED, SEPARATED, WIDOWED	3.2	4.0	4.2	1.4	3.3	3.3	4.9	5.4	3.5	3.9	3.0
PARENTS	7.7	4.0	4.7	4.5	5.0	3.6	4.7	6.1	5.0	4.8	3.6
NORTHEAST-CENSUS	3.6	4.4	5.4	4.1	3.8	3.1	4.7	5.6	6.1	3.8	3.0
MIDWEST	5.4	3.6	8.0	3.1	5.9	3.6	6.9	6.9	6.9	5.1	3.9
SOUTH	4.6	4.0	4.0	2.5	4.3	3.5	4.6	4.6	4.4	5.1	2.9
WEST	3.3	3.9	3.4	4.0	4.0	3.9	4.6	5.9	4.8	3.5	3.7
HOUSEHOLD INCOME											
$75,000 OR MORE	6.5	4.3	7.3	6.5	6.0	3.5	5.9	5.6	8.9	5.5	4.3
$60,000 OR MORE	5.9	4.3	7.3	6.0	5.8	4.2	6.7	6.2	8.8	5.8	4.3
$50,000 OR MORE	5.6	4.3	7.1	5.9	5.5	4.1	6.6	6.3	8.6	5.4	4.2
$40,000 OR MORE	5.5	4.6	6.4	5.4	5.3	4.3	6.5	6.5	7.9	5.0	4.0
$30,000 OR MORE	5.4	4.4	6.3	5.0	5.1	4.3	5.9	6.5	7.5	5.0	3.9
$30,000 -$39,999	5.0	4.0	6.1	3.9	4.7	4.5	4.3	6.6	6.2	4.8	3.5
$20,000-$29,999	3.5	3.8	4.6	2.0	5.0	2.9	5.5	5.4	4.2	5.2	3.8
$10,000-$19,999	2.8	3.0	3.9	0.5	3.2	2.6	3.8	4.6	2.8	4.1	2.4
UNDER $10,000	2.2	3.0	1.7	0.3	2.7	1.7	2.9	3.4	0.5	1.6	1.1
HOUSEHOLD SIZE											
1 PERSON	1.5	3.0	3.8	1.8	2.8	2.3	4.7	4.8	3.9	3.1	2.7
2 PEOPLE	3.4	4.1	5.9	2.9	5.0	3.7	5.7	5.2	5.7	4.2	3.5
3 OR 4 PEOPLE	5.6	3.9	5.1	4.1	4.8	3.8	5.3	6.5	5.7	5.0	3.6
5 OR MORE PEOPLE	5.5	4.4	4.8	3.2	4.0	3.4	4.1	5.3	5.3	5.2	2.7
NO CHILD IN HOUSEHOLD	2.6	4.0	5.5	2.7	4.4	3.5	5.6	5.5	6.0	4.3	3.2
CHILDREN UNDER 2 YEARS	8.2	4.0	4.9	2.7	4.5	3.3	3.3	7.2	3.3	5.2	3.3
2-5 YEARS	9.5	3.6	4.8	2.3	4.9	2.6	4.1	6.4	4.6	4.6	3.4
6-11 YEARS	7.8	3.9	3.9	3.9	4.6	3.1	3.9	4.7	4.7	4.3	3.3
12-17 YEARS	4.6	4.6	4.6	5.7	4.0	4.1	5.1	5.6	5.2	4.9	3.4
RESIDENCE OWNED	5.0	4.2	6.5	3.9	5.3	4.2	5.9	5.6	6.3	4.7	3.7
VALUE $70,000 OR MORE	5.3	4.8	7.6	5.1	5.8	4.5	6.0	6.2	8.0	4.7	4.3
VALUE LESS THAN $70,000	4.6	3.4	5.2	2.4	4.6	3.8	5.7	4.9	4.1	4.8	3.0

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets

ADVERTISING EXPENDITURES ON DIRECT MAIL

1981–1991

Advertising expenditures on direct mail increased 4.7% from 1990 to 1991.



Source: Robert J. Coen, McCann-Erickson, Inc., 1992.

SHELL ALPERT'S DIRECT MAIL
BALLPARK-BUDGET COSTIMATOR™

The sole purpose of the Costimator Tables shown here is to aid direct marketers in the initial stages of planning cost-effective direct mail campaigns. Because of production-cost variables (labor, materials, overhead, workload, markup, etc.), Costimator prices may be as much as 20% higher or lower than actual supplier quotations. Usually, however, mailers who seek competitive bids from different vendors—and who allow enough turnaround time for economical production—will be able to meet (or likely beat) these Costimator prices.

In some cases, dramatic cost reductions can be achieved by purchasing odd-lot, remnant, or surplus paper stocks (paper often accounts for 40% to 60% of printing costs)—or by scheduling out-of-season production runs (hungry suppliers may be more interested in recovering overhead expense than making a profit). Mail marketers are well-advised to obtain quotes not only from vendors, but also from printing brokers and production-oriented agencies. (They frequently know where the real "bargains" are hiding and waiting to be exploited.)

Costimator prices do not include creative costs (copy, design, layout, etc.), nor the expense of preparing camera-ready mechanical art (color separations, printing negatives, etc.). Likewise, expenditures for original illustrations and photography must also be added.

Source: Shell Alpert,
Alpert O'Neil Tigre & Co., 1992.

LITHO LETTERS (NOT PERSONALIZED)
COST PER THOUSAND

					COST PER THOUSAND			
FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	10M	50M	100M	300M
8-1/2" X 11"	Letter*	1/1	60# Offset	1/1	$34.15	$15.85	$12.48	$ 8.54
8-1/2" X 11"	Letter*	1/1	24# Rag Bond	1/1	41.10	19.26	15.06	10.27
8-1/2" X 11"	Letter*	1/1	60# Offset	2/1	42.85	15.20	11.92	8.54
8-1/2" X 11"	Letter*	1/1	24# Rag Bond	2/1	52.83	18.08	14.33	10.27
8-1/2" X 11"	Letter*	1/2	60# Offset	1/2	40.53	17.47	13.97	10.20
8-1/2" X 11"	Letter*	1/2	24# Rag Bond	1/2	48.39	20.96	16.71	12.61
8-1/2" X 11"	Letter*	1/2	60# Offset	2/2	67.46	18.68	14.70	10.20
8-1/2" X 11"	Letter*	1/2	24# Rag Bond	2/2	81.18	22.34	17.73	12.61
8-1/2" x 11"**	Letter*	2/4	60# Offset	1/2	65.66	27.14	23.27	18.94
8-1/2" x 11"**	Letter*	2/4	24# Rag Bond	1/2	79.35	32.56	33.31	22.76
8-1/2" x 11"**	Letter*	2/4	60# Offset	2/2	84.87	27.59	23.79	18.94
8-1/2" x 11"**	Letter*	2/4	24# Rag Bond	2/2	99.67	33.12	28.47	22.76

*Folded twice to fit #10 envelope.
**11" x 17" folded once to 8-1/2" x 11"

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

COMPUTERIZED LETTERS (PERSONALIZED)

COST PER THOUSAND

MEGATYPING[a] FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	COST PER THOUSAND 50M	 100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$146.71	$100.92
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	150.02	103.26
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	148.86	102.89
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	152.21	104.55
8-1/2" x 11"*	Letter	2/2	60# Offset	1/1 ea.	202.09	197.87
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	1/1 ea.	207.17	201.47
8-1/2" x 11"*	Letter	2/2	60# Offset	2/1 ea.	205.10	199.86
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	2/1 ea.	209.18	203.00

XEROX 9700[b] FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	COST PER THOUSAND 50M	 100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$56.47	$47.92
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	59.69	50.30
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	57.71	49.57
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	61.31	51.76
8-1/2" x 11"*	Letter	2/2	60# Offset	1/2 ea.	96.45	89.05
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	1/2 ea.	99.25	91.27
8-1/2" x 11"*	Letter	2/2	60# Offset	2/2 ea.	100.38	89.75
8-1/2" x 11"*	Letter	2/2	24# Rag Bond	2/2 ea.	103.40	92.59

IBM LASER[c] FINISHED SIZE	ITEM	LEAVES/PAGES	STOCK	COLORS/SIDES	COST PER THOUSAND 50M	 100M
8-1/2" x 11"*	Letter	1/1	60# Offset	1/1	$47.84	$40.01
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	1/1	57.95	49.20
8-1/2" x 11"*	Letter	1/1	60# Offset	2/1	51.03	41.97
8-1/2" x 11"*	Letter	1/1	24# Rag Bond	2/1	62.35	51.07
8-1/2" x 11"*	Letter	1/2	60# Offset	1/2	54.19	43.72
8-1/2" x 11"*	Letter	1/2	24# Rag Bond	1/2	65.30	53.15
8-1/2" x 11"*	Letter	1/2	60# Offset	2/2	60.03	47.02
8-1/2" x 11"*	Letter	1/2	24# Rag Bond	2/2	74.01	57.44

*Folded to fit #10 envelope.

(a) Produced by computer driven typewriters, indistinguishable from hand-typing, superb quality.

(b) Sheetfed laser process, very clean and sharp, close to word-processing quality (but may "crack" on foldlines).

(c) Better than old-style impact processes, but still has computerized look; tractor fed, requires continuous forms.

Prices for all computerized letters include litho-printed letterheads and signatures in 1 or 2 colors. Possible charges for data conversion, reformatting tapes, special programming, embedded variables, etc., are not included.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992

CARRIER ENVELOPES
STOCK 24# WHITE WOVE
COST PER THOUSAND

NO.	SIZE	STYLE	COLOR	WINDOW	COST PER THOUSAND 10M	50M	100M
6-1/4	3-9/16" x 6"	Diagonal Seam	1	cello	$31.10	$15.97	$13.35
6-1/4	3-9/16" x 6"	Diagonal Seam	1	open	29.90	14.81	12.26
6-1/4	3-9/16" x 6"	Diagonal Seam	2	cello	33.44	16.47	13.76
6-1/4	3-9/16" x 6"	Diagonal Seam	2	open	32.37	15.32	12.72
9	3-7/8" x 8-7/8"	Diagonal Seam	1	cello	31.70	16.91	14.84
9	3-7/8" x 8-7/8"	Diagonal Seam	1	open	30.41	15.81	13.66
9	3-7/8" x 8-7/8"	Diagonal Seam	2	cello	33.95	17.38	15.20
9	3-7/8" x 8-7/8"	Diagonal Seam	2	open	32.72	16.17	14.05
10	4-1/8" x 9-1/2"	Diagonal Seam	1	cello	34.45	17.41	15.34
10	4-1/8" x 9-1/2"	Diagonal Seam	1	open	33.40	16.14	14.28
10	4-1/8" x 9-1/2"	Diagonal Seam	2	cello	37.05	17.88	15.75
10	4-1/8" x 9-1/2"	Diagonal Seam	2	open	35.68	16.59	14.56
—	6" x 9"	Booklet, open side	1	cello	74.00	49.71	47.10
—	6" x 9"	Booklet, open side	1	open	72.63	48.44	45.85
—	6" x 9"	Booklet, open side	2	cello	76.60	50.38	47.65
—	6" x 9"	Booklet, open side	2	open	75.28	49.12	46.25

NOTE: For closed-face (no window) envelope, deduct $1.25/M from open-window price.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

REPLY ENVELOPES
STYLE = DIAGONAL SEAM
STOCK = 24# WHITE WOVE
COST PER THOUSAND

NO.	SIZE	ITEM	COLOR	COST PER THOUSAND 10M	50M	100M
6-1/4	3-9/16" x 6"	BRE	1	$30.02	$14.96	$12.16
6-1/4	3-9/16" x 6"	BRE	2	32.47	15.26	12.56
7-3/4	3-7/8" x 7-1/2"	BRE	1	30.69	15.12	12.43
7-3/4	3-7/8" x 7-1/2"	BRE	2	33.02	15.58	12.79
10	4-1/8" x 9-1/2"	BRE	1	33.47	16.26	14.22
10	4-1/8" x 9-1/2"	BRE	2	35.97	16.74	14.63

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

REPLY CARDS/ORDER FORMS
COST PER THOUSAND

FINISHED SIZE	ITEM	STOCK	COLORS/SIDES	COST PER THOUSAND 10M	50M	100M
5-1/2" x 3-1/2"	BRC	7 pt. Hi-Bulk	1/2	$25.75	$11.15	$9.25
5-1/2" x 3-1/2"	BRC	7 pt. Hi-Bulk	2/2	39.40	14.75	12.05
8-1/2" x 5-1/2"	BRC	7 pt. Hi-Bulk	1/2	40.55	19.10	15.70
8-1/2" x 5-1/2"	BRC	7 pt. Hi-Bulk	2/2	68.40	24.25	20.65
5-1/2" x 3-1/2"	Order Form	60# Offset	1/2	23.95	10.30	8.35
5-1/2" x 3-1/2"	Order Form	60# Offset	2/2	37.30	13.70	11.10
8-1/2" x 5-1/2"	Order Form	60# Offset	1/2	38.40	17.75	14.35
8-1/2" x 5-1/2"	Order Form	60# Offset	2/2	64.50	22.60	18.80

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992

SELF-MAILING FORMATS
COST PER THOUSAND

					COST PER THOUSAND		
FINISHED SIZE	ITEM	LEAVES/PANELS	STOCK	COLORS/SIDES	10M	50M	100M
3-1/2" x 6"	Double Card	2/4	65# Cover	1/2	$54.88	$20.71	$16.95
3-1/2" x 6"	Double Card	2/4	65# Cover	2/2	69.55	22.77	18.07
3-2/3" x 8-1/2"**	Self-Mailer	3/6	65# Cover	1/2	52.32	28.26	21.76
3-2/3" x 8-1/2"**	Self-Mailer	3/6	65# Cover	2/2	104.73	30.13	23.11
5-1/2" x 8-1/2"***	Self-Mailer	2/4	65# Cover	1/2	62.32	28.26	21.76
5-1/2" x 8-1/2"***	Self-Mailer	2/4	65# Cover	2/2	104.73	30.13	23.11
8-1/2" x 11"****	Self-Mailer	2/4	65# Cover	1/2	94.10	39.70	36.72
8-1/2" x 11"****	Self-Mailer	2/4	65# Cover	2/2	128.06	45.39	38.00
8-1/2" x 11"****	Self-Mailer	2/4	65# Cover	4/2	192.60	59.32	48.62

* 8-1/2" x 11" folded twice.
** 8-1/2" x 11" folded once.
*** 11" x 17" folded once.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

BROCHURES, FOLDERS, ETC.
COST PER THOUSAND

					COST PER THOUSAND			
FINISHED SIZE	ITEM	LEAVES/PANELS	STOCK	COLORS/SIDES	10M	50M	100M	300M
3-1/2" x 6"	Folder	2/4	60# Coated	1/2	$38.00	$27.50	$22.30	—
3-1/2" x 6"	Folder	2/4	60# Coated	2/2	66.75	34.50	26.05	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	1/2	40.10	18.93	14.90	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	2/2	68.35	19.87	15.65	—
5-1/2" x 8-1/2"	Brochure	2/4	60# Offset	4/2	99.40	34.40	22.15	—
8-1/2" x 11"	Brochure	2/4	60# Offset	1/2	65.85	27.85	24.25	20.72
8-1/2" x 11"	Brochure	2/4	60# Offset	2/2	83.15	28.30	24.95	21.05
8-1/2" x 11"	Brochure	2/4	60# Offset	4/2	101.50	37.40	31.25	24.25
8-1/2" x 11"	Broadside	*/8	60# Coated	2/2	154.50	86.50	72.00	57.47
8-1/2" x 11"	Broadside	*/8	60# Coated	4/2	223.20	105.40	80.10	60.10
8-1/2" x 11"	Broadside	*/8	80# Coated	2/2	171.70	98.00	79.95	64.45
8-1/2" x 11"	Broadside	*/8	80# Coated	4/2	240.25	118.20	89.35	66.80

* 22" x 17" folded twice to form eight 8-1/2" x 11" panels; same as 8-page booklet, but not trimmed & stitched.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

BIND-IN REPLY FORMATS
(2 PAGES & ENVELOPE)
COST PER THOUSAND

				COST PER THOUSAND		
FLAT SIZE	FINISHED SIZE	ITEM	STOCK	10M	50M	100M
8-1/2" x 13"	8-1/2" x 6-1/2"	Bind-In Env./Ord. Form	50# Offset	$50.16	$18.98	$13.46
8-1/2" x 17"	8-1/2" x 8-1/2"	Bind-In Env./Ord. Form	50# Offset	51.09	34.22	23.37

NOTE: Press-finished bind-ins (such as above) are available in numerous sizes and styles, with one or two made-up envelopes and two-page or multi-page order forms and promo panels; can be printed and bound, in line, with booklets or catalogs on web presses, or stitched-in during separate bindery operation.

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992

LETTERSHOP OPERATIONS
COST PER THOUSAND

INSERTED IN #10 ENVELOPES*	COST PER THOUSAND	
	20-25M	MORE THAN 25M
ONE ITEM	$26.00	$22.00
TWO ITEMS	26.00	22.00
THREE ITEMS	26.00	22.00
FOUR ITEMS	30.00	24.50
FIVE ITEMS	30.00	24.50
SIX ITEMS	30.00	24.50
INSERTED IN 6" X 9" ENVELOPES*		
ONE ITEM	$28.00	$25.50
TWO ITEMS	28.00	25.50
THREE ITEMS	28.00	25.50
FOUR ITEMS	36.00	29.00
FIVE ITEMS	36.00	29.00
SIX ITEMS	36.00	29.00
POSTAL METERING @ $2/M.		
MACHINE STAMP AFFIXING @ $5/M		

*Includes insertion of prefolded elements, labeling, sealing, tieing, bagging and mailing via regular third-class bulk rate. (Assuming 4-up Cheshire labels supplied in ZIP Code sequence.)

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

MISCELLANEOUS DIRECT MAIL ITEMS
COST RANGES

DIRECT MAIL ITEMS	COST RANGE
Keypunching Names/Addresses (from hard copy) to Produce Computer Mailing List	$115/M—$150/M
Above with Verification	$195/M—$280/M
Type-and-Scan Names/Addresses to Produce Computer Mailing List	$ 40/M—$ 75/M
Print and Affix Peel-Off Cards, Thin Gauge	$ 55/M—$ 95/M
Emboss Type or Logo, Blind	$ 9/M—$ 20/M
Emboss Type or Logo, Foil	$ 14/M—$ 30/M
Embossing Dies, Small	$200—$450 ea.
Special Envelope Window Dies	$225—$475 ea.
Special "Lined" Cheshire Labels	$ 5/M—$ 7/M
Piggyback (Peel-Off Labels)	$ 6/M—$ 8/M
Serial Numbering	$ .70/M—$.95/M

Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992.

DIRECT MAIL—SAMPLE WORKING BUDGET

Great North American Widget Corporation
Consumer Solo-Mailing Campaign
Two-for-One Widget Offer
(Approx. Net Quantity, 100,000 [100M]; Scheduled Drop Date, 7/30/91)
WORKING BUDGET
Prepared by Frank N. Stine, Mar. 15, 1991

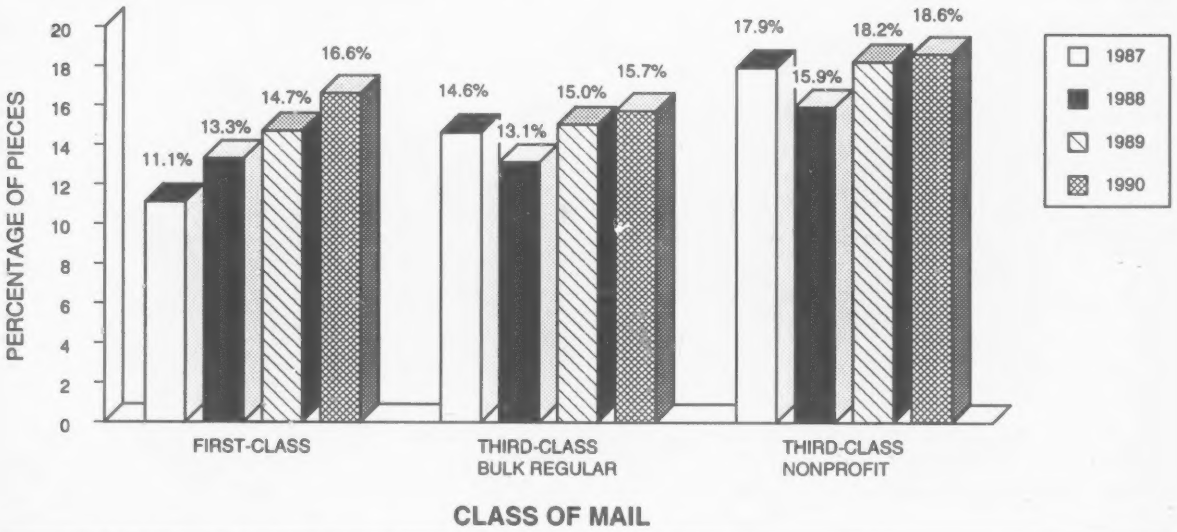
A.	CREATIVE		
1.	Preliminary roughs and dummies	$ 200.00	
2.	Copy, including revises	2,750.00	
3.	Tight comp. layouts	750.00	
4.	Contingency reserve	355.00	
	TOTAL	$ 4,055.00	(5.3%)
B.	ART & PREPARATION		
1.	Mechanical art & preparation	$ 1,000.00	
2.	Typography, including AAs	1,250.00	
3.	Repros, pos, prints, reading copies, etc.	175.00	
4.	Line illustrations (7)	280.00	
5.	Photography	900.00	
6.	Model fees	350.00	
7.	Color separations (2)	900.00	
8.	Colorkey proofs	250.00	
9.	Stripped-in print films	380.00	
10.	Contingency reserve	$ 1,000.00	
	TOTAL	$ 6,485.00	(8.6%)
C.	PRINTING PRODUCTION		
1.	4-pg. litho let., 8-1/2 x 11", 2 colors* (105M @ $23.79/M)	$ 2,497.95	
2.	16-pg. booklet, 5-1/2" x 8-1/2", 4 colors* (105M @ $90.50/M	9,502.50	
3.	Reply card, 3-1/2" x 5-1/2", 2 colors (105M @ $12.05/M)	1,265.25	
4.	BRE, #7-3/4, one color (105M @ $12.27/M)	1,288.35	
5.	Outer env., 6" x 9", 2 color, cello wind. (105M @ $46.75/M)	4,908.75	
6.	Contingency reserve	2,000.00	
	TOTAL	$ 21,462.80	(28.3%)
D.	MAILING LISTS		
1.	Mail order respondents (tape) 70M* @ $85/M	$ 5,950.00	
2.	Active magazine subs (tape) 45M* @ $55/M	2,475.00	
3.	Contingency reserve	1,000.00	
	TOTAL	$ 9,425.00	(12.4%)
E.	COMPUTER PROCESSING		
1.	Reformating, data conversion, etc.	$ 350.00	
2.	Merge/Purge (115M @ $9.25/M)	1,063.75	
3.	Code and run 4-up labels (100M @ $3.50/M)	350.00	
4.	Reports & directory printout	175.00	
5.	Contingency reserve	400.00	
	TOTAL	$ 2,338.75	(3.1%)
F.	LETTERSHOP PRODUCTION		
1.	Insert, label, sort, mail, etc. (100M @ $28.25)	$ 2,825.00	
2.	Affix bulk-rate stamps (100M @ $5/M)	500.00	
3.	Audit & pull samples (100M @ $1.75/M)	175.00	
4.	Contingency reserve	250.00	
	TOTAL	$ 3,750.00	(4.9%)
G.	ALLOCATED FEES		
1.	Ad Agency	$ 6,000.00	
2.	Consultant	1,500.00	
3.	Contingency reserve	1,000.00	
	TOTAL	$ 8,500.00	(11.2%)
H.	POSTAGE		
1.	100M @ $198/M	$ 19,800.00	(26.1%)
	BUDGETED GRAND TOTAL	**$ 75,816.55**	**(100%)**

*Folded NOTE: Freight charges included

Budgeted Total without Cont. Reserves = $69,811.55

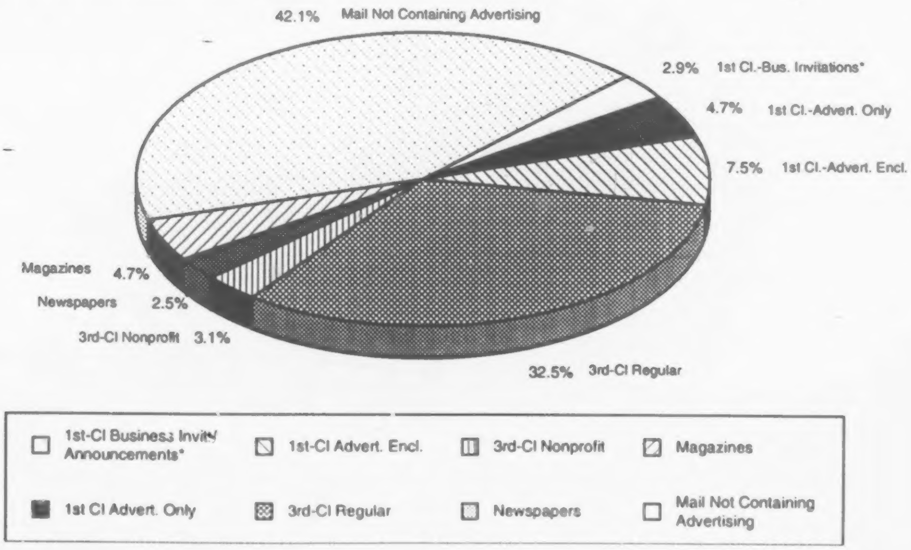
Source: Shell Alpert, Alpert O'Neil Tigre & Co., 1992

ADVERTISING GENERATING RESPONSE
BY MAIL CLASS, POSTAL YEARS 1987–1990



Source: USPS Household Diary Study 1987–1991.

MAIL RECEIVED BY HOUSEHOLDS CONTAINING ADVERTISING
PERCENT OF TOTAL MAIL RECEIVED, POSTAL YEAR 1990



* 1st Class Business Invitations/Announcements is a new category of advertising in the 1990 study. Previously thought to contain non-advertising material, upon inspection it was determined that these were primarily advertising-related material.

Source: USPS Household Diary Study 1987–1991.

SEASONALITY STUDY/UPDATE #16—APRIL 1992

PREPARED BY THE KLEID COMPANY, INC.

The first Kleid Company Seasonality Study was issued in April 1978, covering the 12-month period from March 1977–February 1978. The primary objective was to bring together information on a month-by-month basis to track seasonal patterns.

This is the sixteenth year of our seasonality study. It does appear that our strategy to develop this research through market segments yielded added value. The patterns have changed — and will continue to change — but we're also seeing consistencies.

As we all know, direct mail marketing is complex. There are many variables which make it difficult to reduce any findings to a common denominator — or to an absolute mathematical formula. The external environment and internal environment do not happen on a schedule. So, consider this study directional. It has inspired multi-product direct marketers to conduct their own seasonality studies on a product-by-product basis.

As a matter of fact, the reason for some of the seasonal changes and consistencies is because many mailers have — and are — monitoring their own promotional patterns — and have graduated from two mailings per year to four or five mailings, and so on.

For results-oriented mailers it is important to recognize the electricity of direct mail — which impacts "when to mail" as much as "what to mail and to whom."

	SUMMARY OF TOP TWO MAILING MONTHS FOR THE YEARS THROUGH:			
	1990—91		1991—92	
	TOP MONTH	#2 MONTH	TOP MONTH	#2 MONTH
BUSINESS & FINANCE	**DECEMBER**	JUNE	**DECEMBER**	SEPTEMBER
CULTURAL READING	**DECEMBER**	NOVEMBER	**DECEMBER**	NOVEMBER
GENERAL READING	**DECEMBER**	JUNE	**DECEMBER**	JUNE
SELF-IMPROVEMENT	**DECEMBER**	MARCH	**DECEMBER**	MAY
HOME INTEREST	**JUNE**	DECEMBER	**DECEMBER**	JUNE
PARENTS & CHILDREN	**JANUARY**	JUNE	**DECEMBER**	JUNE
HOBBIES/RELATED SUBJECTS	**DECEMBER**	JUNE	**JUNE**	DECEMBER
ENTERTAINMENT	**DECEMBER**	JUNE	**DECEMBER**	SEPTEMBER
EDUCATION	**DECEMBER**	OCTOBER	**AUGUST**	DECEMBER
FUND RAISING	**NOVEMBER**	OCT/JAN	**NOVEMBER**	SEPTEMBER
HEALTH	**JUNE**	DECEMBER	**DECEMBER**	JUNE

Source: The Kleid Company, Inc., 1992

SEASONALITY STUDY
CATEGORY: EDUCATIONAL, TECHNICAL, PROFESSIONAL
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
4.	MARCH	2.1	23.7	13.2	9.0	8.4	11.3
	APRIL	8.4	4.7	4.2	2.2	3.9	4.7
	MAY	3.0	2.6	3.8	9.1	5.6	4.8
3.	JUNE	7.1	0.5	5.0	5.0	12.5	6.0
	JULY	11.7	2.6	23.0	11.9	4.9	10.8
1.	AUGUST	5.6	6.4	3.3	10.3	33.0	11.7
	SEPTEMBER	3.5	9.2	4.4	4.8	2.5	4.9
	OCTOBER	6.6	16.7	6.1	12.7	1.0	8.6
	NOVEMBER	3.9	1.7	5.9	7.9	2.4	4.4
2.	DECEMBER	29.5	15.8	21.4	21.6	20.6	21.8
	JANUARY	14.9	13.1	4.0	4.4	4.2	8.1
	FEBRUARY	3.7	3.0	5.7	1.1	1.0	2.9
	TOTAL:	100%	100%	100%	100%	100%	100%

August moved up from #4 to #1, December fell to #2, and June and March jumped to #3 and 4, respectively. Again, October experienced a noticeable drop.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: ENTERTAINMENT
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	7.9	6.3	4.9	4.4	3.6	5.4
	APRIL	5.3	7.8	2.5	3.8	4.7	4.8
4.	MAY	2.7	4.5	1.6	3.9	9.6	4.5
	JUNE	8.3	8.2	12.2	19.6	3.6	10.4
	JULY	14.1	11.0	9.3	8.1	5.3	9.6
3.	AUGUST	6.3	6.5	4.9	5.4	9.7	6.6
2.	SEPTEMBER	5.4	10.1	8.6	9.1	11.9	9.0
	OCTOBER	9.3	4.9	3.4	4.8	4.8	5.4
	NOVEMBER	3.2	2.3	2.1	2.2	1.9	2.3
1.	DECEMBER	16.1	16.4	29.7	25.3	28.6	23.2
	JANUARY	13.7	12.4	13.7	10.1	8.1	11.6
	FEBRUARY	7.7	9.6	7.1	3.3	8.2	7.2
	TOTAL:	100%	100%	100%	100%	100%	100%

December is a steady #1, and September has jumped from #4 to #2. August and May have gained, moving to #3 and 4, respectively. Mailings in June have dropped noticeably.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: BUSINESS/FINANCE
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	6.9	7.4	10.1	6.3	8.8	7.9
	APRIL	7.3	6.0	7.1	6.4	7.0	6.8
	MAY	10.7	9.4	12.7	9.2	6.3	9.7
	JUNE	7.6	6.4	5.6	10.6	8.3	7.7
4.	JULY	5.4	5.9	6.8	9.4	10.0	7.5
3.	AUGUST	6.9	7.5	5.7	7.0	10.6	7.5
2.	SEPTEMBER	8.6	10.2	8.4	8.9	11.1	9.4
	OCTOBER	7.4	6.4	7.5	6.0	5.8	6.6
	NOVEMBER	5.8	6.0	5.2	3.4	4.3	4.9
1.	DECEMBER	17.4	20.7	14.8	15.6	14.0	16.5
	JANUARY	12.3	10.1	9.9	10.1	7.9	10.1
	FEBRUARY	3.7	4.0	6.2	7.1	5.9	5.4
	TOTAL:	100%	100%	100%	100%	100%	100%

December will not give up the lead. September is now #2 with August #3.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: CULTURAL READING
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	4.7	9.0	5.3	5.3	4.3	5.7
	APRIL	1.3	1.0	4.6	6.6	5.1	3.7
4.	MAY	0.5	2.7	13.6	10.1	12.3	7.8
3.	JUNE	23.4	20.6	13.5	11.8	12.8	16.4
	JULY	6.5	7.1	4.3	3.9	2.0	4.8
	AUGUST	2.5	2.6	0.8	3.7	4.4	2.8
	SEPTEMBER	8.2	8.6	11.3	6.1	4.3	7.7
	OCTOBER	12.0	14.7	9.2	10.5	3.2	9.9
2.	NOVEMBER	5.6	5.3	10.2	14.9	13.3	9.9
1.	DECEMBER	27.4	22.0	21.4	22.0	24.7	23.5
	JANUARY	6.8	5.8	4.3	4.6	13.0	6.9
	FEBRUARY	1.1	0.6	1.5	0.5	0.6	0.9
	TOTAL:	100%	100%	100%	100%	100%	100%

December continues to outweigh the competition by a substantial margin. November and June remain in 2nd and 3rd place, respectively, whereas May has moved up to #4. October has lost quite a large share since last year.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: FUND RAISING
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	8.5	7.7	6.5	9.8	8.2	8.1
	APRIL	5.9	9.0	3.4	3.7	2.5	4.9
	MAY	5.0	6.1	3.9	5.1	5.2	5.1
	JUNE	2.0	2.0	2.8	2.8	3.8	2.7
	JULY	4.3	5.6	5.1	4.9	4.7	4.9
	AUGUST	13.3	14.1	8.5	8.1	8.1	10.4
2.	SEPTEMBER	7.3	5.3	6.3	9.7	12.5	8.2
4.	OCTOBER	9.3	5.9	17.1	13.3	9.4	11.0
1.	NOVEMBER	19.0	19.6	19.2	16.4	19.6	18.8
	DECEMBER	4.1	6.0	6.8	5.2	6.4	5.7
	JANUARY	5.6	7.2	7.4	13.2	8.4	8.4
3.	FEBRUARY	15.7	11.5	13.0	7.8	11.2	11.8
	TOTAL:	100%	100%	100%	100%	100%	100%

November held on to first place. September and February moved up to #2 and 3, respectively. October went from #2 to #4.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: GENERAL READING
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	4.9	6.6	5.0	7.5	4.5	5.7
	APRIL	3.2	5.3	7.1	5.6	4.1	5.1
	MAY	1.3	10.5	0.6	12.4	4.7	5.9
2.	JUNE	25.3	17.3	21.8	18.2	22.3	21.0
	JULY	5.4	7.2	9.1	8.4	5.8	7.2
3.	AUGUST	8.1	7.8	3.1	4.0	9.2	6.4
	SEPTEMBER	5.2	4.8	8.6	4.1	4.8	5.5
	OCTOBER	4.1	5.3	4.7	5.7	3.2	4.6
	NOVEMBER	11.3	0.4	0.7	1.5	3.2	3.4
1.	DECEMBER	18.1	23.0	25.7	22.9	25.3	23.0
4.	JANUARY	6.7	7.1	10.4	9.6	8.7	8.5
	FEBRUARY	6.4	4.7	3.2	0.1	4.2	3.7
	TOTAL:	100%	100%	100%	100%	100%	100%

December is a consistent #1 and June steady at #2. August revived to take spot #3.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: HEALTH
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	8.3	3.2	3.8	3.2	1.9	4.1
	APRIL	1.4	3.0	1.8	1.1	2.6	2.0
	MAY	0.1	2.6	0.5	2.1	6.3	2.3
2.	JUNE	5.8	6.6	21.4	39.2	22.8	19.2
4.	JULY	28.7	20.6	4.9	9.4	7.3	14.2
3.	AUGUST	0.1	3.8	6.1	8.5	10.6	5.8
	SEPTEMBER	9.6	7.1	9.5	3.3	4.9	6.9
	OCTOBER	0.9	1.6	1.6	1.1	1.7	1.4
	NOVEMBER	0.3	0.4	3.5	0.4	2.5	1.4
1.	DECEMBER	39.1	42.8	38.7	25.9	31.7	35.6
	JANUARY	3.2	4.7	2.8	4.9	4.5	4.0
	FEBRUARY	2.5	3.6	5.4	0.9	3.2	3.1
	TOTAL:	100%	100%	100%	100%	100%	100%

December has moved from #2 to #1, and June down to #2. August gained momentum from #4 to #3, and July went down to #4.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: HOBBIES—RELATED SUBJECTS
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	4.4	4.0	4.3	4.9	5.9	4.7
	APRIL	5.0	5.6	4.3	4.1	3.8	4.6
	MAY	3.7	2.3	4.0	2.4	2.7	3.0
1.	JUNE	22.1	18.5	25.5	22.2	28.0	23.3
	JULY	2.3	8.9	4.3	4.6	4.7	5.0
	AUGUST	5.7	11.5	6.6	4.3	4.2	6.5
3.	SEPTEMBER	5.5	3.7	6.6	7.5	7.8	6.2
	OCTOBER	4.0	7.3	3.3	7.1	5.5	5.4
	NOVEMBER	8.2	2.4	1.4	1.5	2.6	3.2
2.	DECEMBER	21.6	20.7	32.0	33.1	25.1	26.5
4.	JANUARY	7.6	10.7	5.1	5.8	6.5	7.1
	FEBRUARY	9.9	4.4	2.6	2.5	3.2	4.5
	TOTAL:	100%	100%	100%	100%	100%	100%

June has moved up to #1 and December down to #2.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: HOME INTEREST
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	6.0	7.8	7.1	5.5	5.0	6.3
	APRIL	5.1	6.3	4.8	3.9	4.1	4.8
	MAY	3.1	2.0	3.9	6.6	5.9	4.3
2.	JUNE	13.8	15.4	18.2	17.3	18.3	16.6
	JULY	7.4	6.5	4.5	7.9	5.1	6.3
	AUGUST	10.0	6.1	4.7	4.1	4.6	5.9
4.	SEPTEMBER	10.3	12.1	11.1	10.4	10.7	10.9
	OCTOBER	9.9	6.8	9.6	6.2	5.6	7.6
	NOVEMBER	2.3	3.6	3.1	6.0	3.6	3.7
1.	DECEMBER	13.8	19.0	19.5	16.5	20.7	17.9
3.	JANUARY	13.3	9.8	7.7	10.8	11.8	10.7
	FEBRUARY	5.0	4.6	5.8	4.8	4.6	5.0
	TOTAL:	100%	100%	100%	100%	100%	100%

December took over #1, June #2, and January and September remain #3 and #4, respectively.

Source: The Kleid Company, Inc., 1992.

SEASONALITY STUDY
CATEGORY: PARENTS AND CHILDREN
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	3.2	4.5	3.5	4.4	5.6	4.2
	APRIL	6.7	6.5	5.6	5.3	10.0	6.8
	MAY	3.9	4.8	4.2	4.5	5.9	4.7
2.	JUNE	10.5	7.9	12.1	12.8	13.0	11.3
	JULY	12.2	10.2	10.8	10.1	9.0	10.5
	AUGUST	7.8	6.5	5.6	8.3	3.9	6.4
3.	SEPTEMBER	13.3	11.3	16.5	12.6	12.5	13.2
	OCTOBER	7.8	16.2	6.7	7.4	6.9	9.0
	NOVEMBER	1.5	0.4	0.6	2.4	0.9	1.2
1.	DECEMBER	14.4	17.7	16.4	12.6	14.0	15.0
4.	JANUARY	10.2	8.5	9.9	14.4	10.6	10.7
	FEBRUARY	8.5	5.5	8.1	5.2	7.7	7.0
	TOTAL:	100%	100%	100%	100%	100%	100%

December took over #1, June remains #2, September is #3.

Source: The Kleid Company, Inc., 1992

SEASONALITY STUDY
CATEGORY: SELF-IMPROVEMENT
MONTHLY % OF TOTAL MAILINGS

1992 Ranking		1987–88	1988–89	1989–90	1990–91	1991–92	5-YEAR AVERAGE
	MARCH	12.9	10.5	12.2	12.7	7.1	11.1
	APRIL	8.0	9.4	4.2	5.0	7.1	6.7
2.	MAY	8.0	4.3	15.6	9.6	12.9	10.1
4.	JUNE	11.6	7.5	9.3	7.8	9.8	9.2
	JULY	3.0	1.9	3.4	3.1	5.7	3.4
3.	AUGUST	10.9	7.1	11.1	8.6	11.8	9.9
	SEPTEMBER	10.7	16.7	9.9	7.9	7.7	10.6
	OCTOBER	6.8	5.0	8.4	5.6	5.5	6.3
	NOVEMBER	2.8	2.6	2.8	8.8	2.1	3.8
1.	DECEMBER	11.7	17.3	14.8	18.6	20.5	16.6
	JANUARY	7.8	8.4	3.4	7.2	3.7	6.1
	FEBRUARY	5.8	9.3	4.9	5.1	6.1	6.2
	TOTAL:	100%	100%	100%	100%	100%	100%

December retains its strong lead, and May has jumped from #3 to #2.

Source: The Kleid Company, Inc., 1992.

USAGE OF ZIP CODE ON THIRD-CLASS MAIL BY SHAPE OF MAIL PIECE
POSTAL YEAR 1990
(PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS)

The Household Diary Study is an annual market research study of mail originating or destinating in households. This study now provides a continuous comprehensive description of the household portion of the mailstream. Data are collected on a Postal Year basis.

The Household Diary Study surveys over 5,300 households a year, each of which is given an entry interview and then asked to keep a week-long record of every mail piece received or sent by the household. Information collected includes mail class and subclass, identity (by sector and industry) of mail senders and recipients, content, household attitude towards mail, and household demographics.

	Letter-Size Envelope	Larger Than Letter Envelope	Detached Label Card	Post-Card	Catalog Not In Envelope	Flyers	Newspapers/ Magazines	Total
5 Digits	76.2	79.1	97.4	76.2	80.7	81.0	73.8	80.0
Zip + 4	20.5	19.4	0.6	10.1	18.1	9.4	9.1	14.6
Zip Not Included	0.4	0.3	1.7	13.6	1.0	9.3	16.2	4.3
Don't Know/No Response	2.9	1.1	0.2	0.1	0.2	0.3	0.9	1.2
Total Mail Received by Households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: USPS Household Diary Study, 1991.

RESPONSE TO THIRD-CLASS BULK REGULAR MAIL PIECE BY AGE OF HEAD OF HOUSEHOLD

POSTAL YEARS 1990 and 1988

Respondents 35 and older were more likely to find third-class bulk regular mail useful than those individuals at younger age groups.

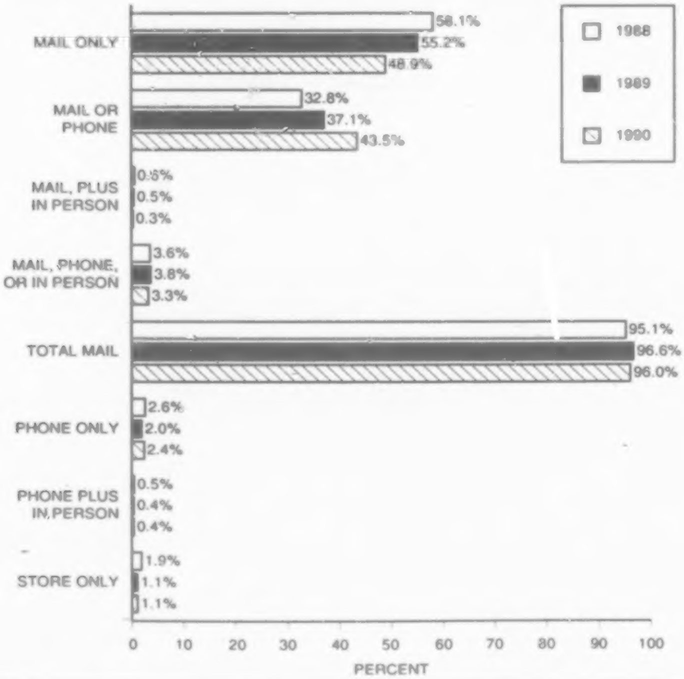
Age of Head	Read Immediately (Percent)		Set Aside (Percent)		Found Useful (Percent)	
	1988	1990	1988	1990	1988	1990
18—21	46.9	37.2	2.9	5.3	40.0	38.2
22—24	44.0	38.1	7.3	2.9	38.1	33.8
25–34	42.2	39.8	7.3	8.3	43.1	41.0
35—44	38.4	40.0	8.4	8.8	40.9	41.8
45—54	39.0	41.7	8.0	10.1	40.5	41.2
55—64	42.7	42.7	7.7	9.1	38.6	41.4
65—69	43.6	48.6	8.5	6.9	39.9	42.4
70+	43.1	47.1	6.9	6.2	37.0	39.7

Source: USPS Household Diary Study, 1991.

MEDIA CHOICE FOR RESPONDING TO MAIL ORDER OFFERS

POSTAL YEARS 1988, 1989 and 1990 (PERCENTAGE OF PIECES)

Data below illustrates a steady increase in the proportion of individuals responding to mail order offers via mail or phone from 1988–1990.



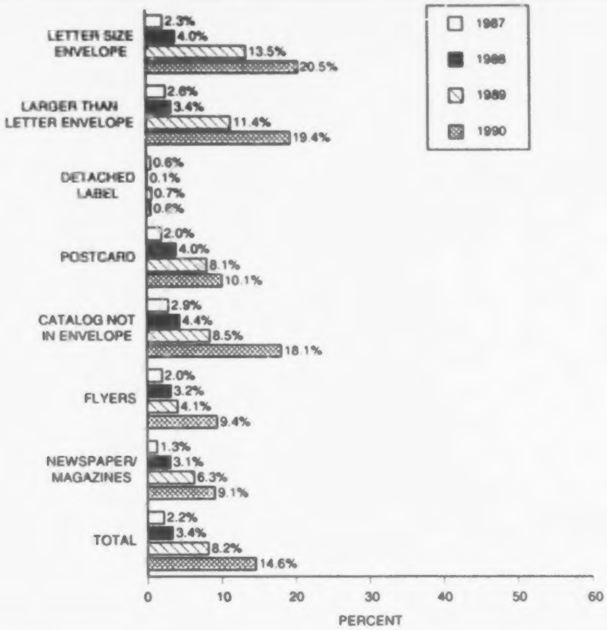
Source: USPS Household Diary Study, 1991.

USAGE OF ZIP +4 ON THIRD-CLASS MAIL BY SHAPE OF MAIL PIECE

POSTAL YEARS 1987–1990

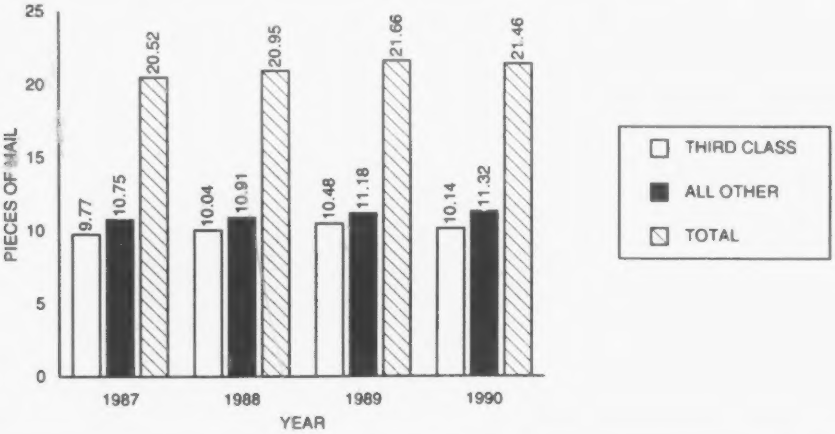
(PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS)

In the majority of cases, usage of zip +4 increased nearly ten-fold from 1987–1990.



Source: USPS Household Diary Study, 1991.

AVERAGE NUMBER OF MAIL PIECES RECEIVED PER WEEK



Source: USPS Household Diary Study, 1988, 1989, 1990, 1991.

THIRD-CLASS BULK REGULAR MAIL ADDRESSEE BY INDUSTRY

POSTAL YEARS 1988 & 1990

(PERCENTAGE OF PIECES ADDRESSED TO HOUSEHOLD MEMBERS OR OCCUPANT/RESIDENT

In the majority of cases, the percent of pieces addressed to specific household members are on the rise whereas pieces to occupant/resident are decreasing.

	Percent Pieces Addressed To Specific Household Members		Percent Pieces Addressed to Occupant/Resident	
	1988	1990	1988	1990
Merchants				
Supermarket	12.0	13.3	87.1	86.2
Department Store	68.1	71.2	31.4	28.3
Mail Order	95.2	96.2	4.1	3.0
Specialty Store	54.9	61.2	44.6	38.4
Publisher	73.0	72.9	25.5	25.9
Land Promotion	89.5	89.9	10.5	10.1
Restaurant	15.1	19.9	84.8	80.1
Consumer Packaged Goods	92.0	94.7	7.4	4.6
Auto Dealer	93.2	86.3	5.4	12.3
Service Stations	52.3	78.3	47.7	21.7
Mall	17.1	32.5	82.9	67.5
Other Merchants	36.1	71.4	83.6	28.6
Total Merchants	**72.5**	**75.2**	**26.6**	**24.0**

Source: USPS Household Diary Study, 1989 & 1991.

NUMBER OF DIRECT MAIL ADVERTISING SERVICES BY STATE

The U. S. Bureau of Census defines direct mail advertising services as establishments primarily engaged in furnishing services for direct mail advertising, such as creating, producing, and mailing of direct mail advertising. This industry also includes establishments primarily engaged in compiling and selling mailing lists. Establishments primarily engaged in reproducing direct mail copy on order, but performing none of the other direct mail advertising services, are classified in Manufacturing, Industry Group 275 if they print the copy, and in Industry 7334 if they duplicate the copy by photocopying or similar reproduction methods. This category (SIC 7331) includes: address list compilers, addressing service, direct mail advertising service, mail advertising service, mailing list compilers, and mailing service.

Geographic Area	#Establishments	Receipts ($1,000)
United States	3 512	4 097 739
Alabama	29	13 025
Alaska	7	(D)
Arizona	60	47 900
Arkansas	18	10 104
California	510	548 472
Colorado	61	26 529
Connecticut	86	114 927
Delaware	9	(D)
District of Columbia	16	(D)
Florida	183	122 960
Georgia	67	71 947
Hawaii	6	1 653
Idaho	5	988
Illinois	236	399 458
Indiana	37	25 584
Iowa	24	64 382
Kansas	35	47 555
Kentucky	16	33 879
Louisiana	22	5 677
Maine	5	1 539
Maryland	91	129 517
Massachusetts	104	107 614
Michigan	99	118 012
Minnesota	73	73 192
Mississippi	7	(D)
Missouri	68	68 263
Montana	4	834
Nebraska	30	43 356
Nevada	13	7 385
New Hampshire	17	10 099
New Jersey	161	310 845
New Mexico	13	4 286
New York	412	762 108
North Carolina	67	76 577
North Dakota	6	894
Ohio	134	117 079
Oklahoma	36	16 982
Oregon	41	26 971
Pennsylvania	168	231 004
Rhode Island	7	3 951
South Carolina	27	4 660
South Dakota	3	234
Tennessee	47	30 808
Texas	200	172 983
Utah	20	12 247
Vermont	10	13 908
Virginia	116	98 229
Washington	45	30 248
West Virginia	9	5 556
Wisconsin	51	36 582
Wyoming	1	(D)

NOTE: (D) denotes figures withheld to avoid disclosure of operations of individual establishments

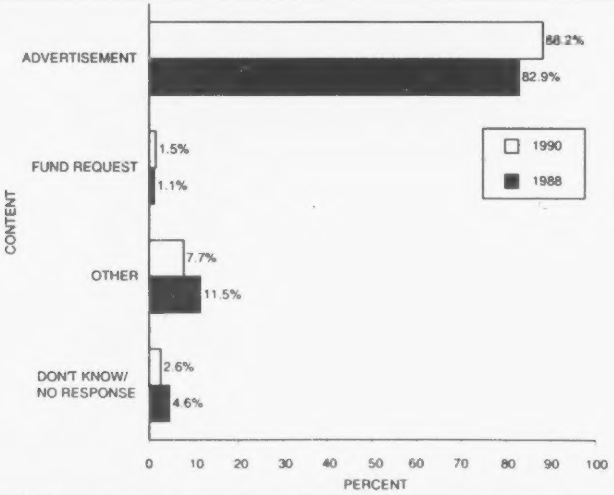
Source: U.S. Census Bureau, 1987 Census of Business (figures released in June 1990)

THIRD-CLASS BULK MAIL BY SHAPE

SHAPE	PIECES PER HOUSEHOLD PER WEEK			
	1987	1988	1989	1990
Letter Size Envelope	1.83	1.90	1.82	1.74
Larger Envelope	1.26	1.29	1.24	1.13
TOTAL ENVELOPE	**3.09**	**3.19**	**3.06**	**2.87**
Detached Label Card	0.61	0.64	0.64	0.60
Postcard	0.20	0.17	0.11	0.15
Catalog (Not in Envelope)	1.50	1.44	1.49	1.52
Flyers/Circulars	2.12	2.36	2.12	1.89
Magazines/Newsletters	0.18	0.16	0.55	0.58
Other/Don't Know/No Answer	0.10	0.06	0.23	0.23
TOTAL PIECES REC'D BY HOUSEHOLDS	**7.78**	**8.02**	**8.20**	**7.85**

Source: USPS Household Diary Study, 1991.

THIRD-CLASS BULK REGULAR CONTENT OF MAILPIECE
(PERCENTAGE OF BULK REGULAR MAIL RECEIVED BY HOUSEHOLDS)
POSTAL YEARS 1988 & 1990



Source: USPS Household Diary Study, 1989 & 1991

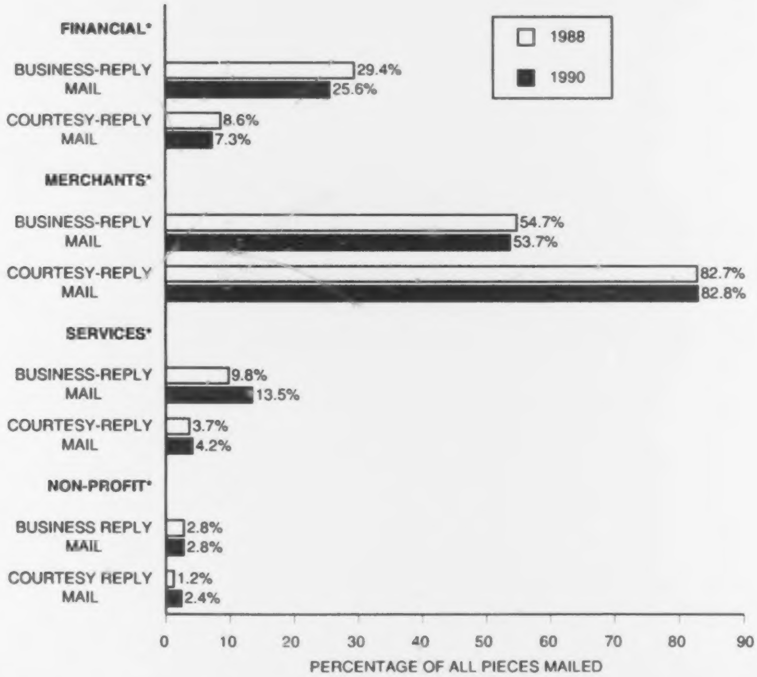
TOTAL DOMESTIC MAIL ORIGINATING IN HOUSEHOLDS AND NONHOUSEHOLDS
POSTAL YEARS 1987, 1988, 1989 AND 1990

The percentage of the total mailstream sent by nonhouseholds to nonhouseholds (business-to-business) decreased in 1990. This may indicate a growing use of electronic alternatives for business-to-business mail.

	PERCENTAGE OF TOTAL DOMESTIC MAIL				PIECES PER HOUSEHOLD PER WEEK			
	1987	1988	1989	1990	1987	1988	1989	1990
Household to Household	4.8	4.5	4.5	4.2	1.6	1.5	1.5	1.4
Household to Nonhousehold	6.4	6.8	8.7	7.4	2.1	2.3	2.9	2.5
Nonhousehold to Household	55.5	56.0	57.8	56.1	18.5	18.8	19.3	19.2
Federal Government to Household	1.1	1.4	1.2	1.2	0.4	0.5	0.4	0.4
Unknown Incoming	0.3	0.4	0.6	0.4	0.1	0.1	0.2	0.1
Unknown Outgoing	1.0	0.4	0.0	0.0	0.3	0.1	0.0	0.0
Total Household Mail	69.1	69.6	72.7	69.3	23.0	23.4	24.3	23.7
Nonhousehold to Nonhousehold	30.9	30.4	27.3	30.7	—	—	—	—
Total	100.0	100.0	100.0	100.0	—	—	—	—

Source: USPS Household Diary Study, 1988, 1989, 1990, 1991.

THIRD-CLASS BULK REGULAR MAIL USERS OF REPLY ENVELOPES BY INDUSTRY

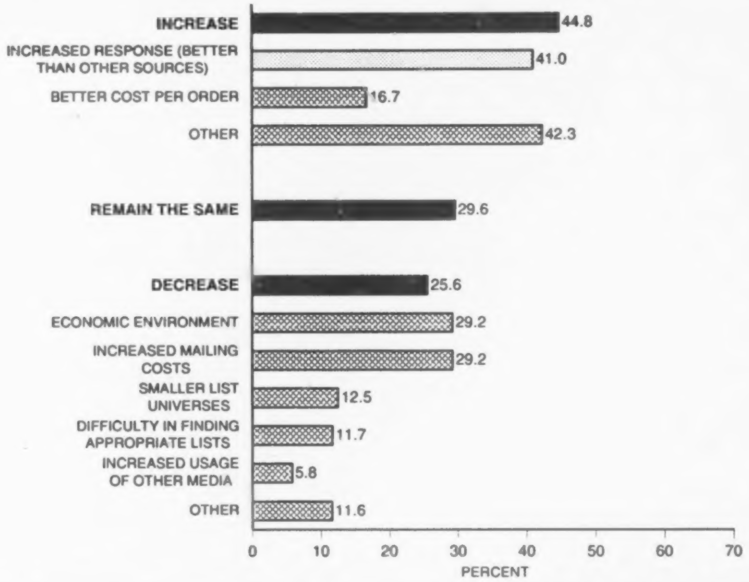


*Financial includes credit cards, banks, securities, money markets, etc. Merchants includes supermarkets, department stores, publishers, mail order firms, etc. Services includes telephone, other utilities, medical and other professions, cable TV, etc. Non-profit includes social, charitable and political solicitations.

Source: USPS Household Diary Study, 1991

MAIL VOLUME: 1992 OUTLOOK

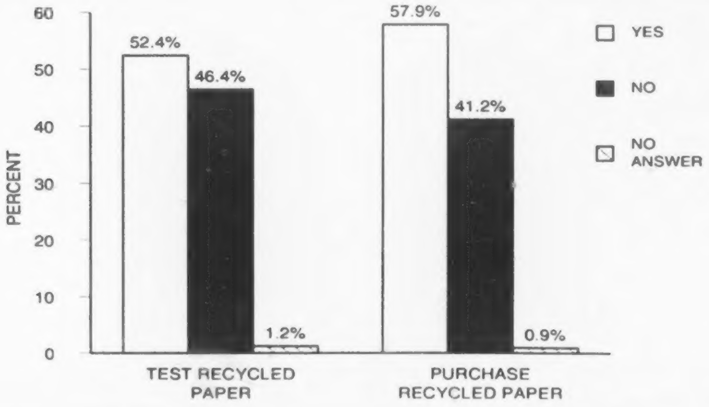
The Kleid Company conducted "1992—How Does It Look for Direct Marketers?" in early 1992 among 3,195 direct marketing executives via mail survey. The survey achieved a 9.4% response rate. The greatest proportion of respondents (44.8%) note their volume will increase, due mostly to an increase in response.



Source: The Kleid Company, "1992—How Does It Look to You?", 1992.

DIRECT MARKETERS' TESTING/PURCHASING OF RECYCLED PAPER

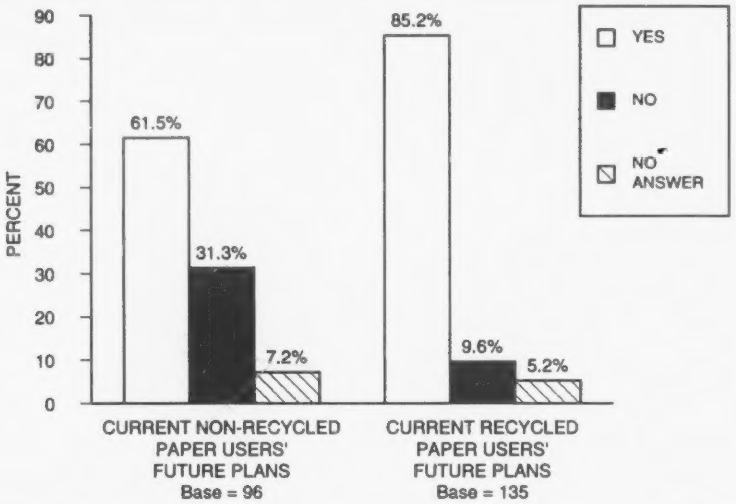
The DMA Research Department conducted this survey in January, 1992 among 1,774 direct marketing users to identify direct marketers' experiences in testing and using recycled paper. The survey received a 13.1% response rate.



Source: DMA Recycled Paper Purchasing Study, 1992

FUTURE USE OF RECYCLED PAPER

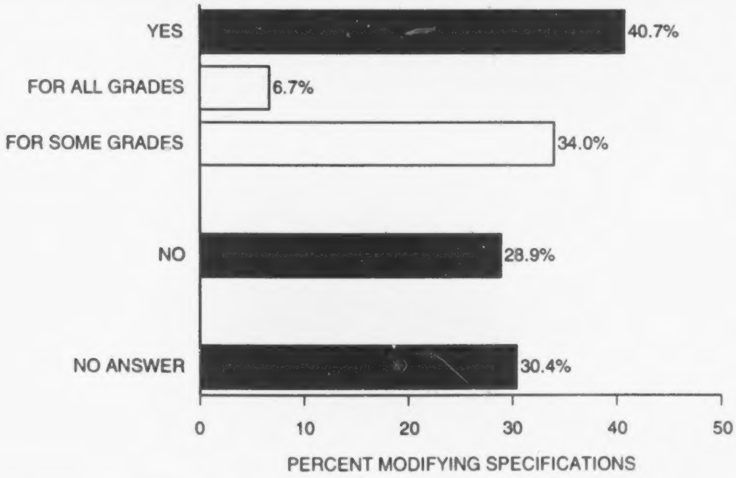
Nearly two-thirds (61.5%) of those not currently purchasing recycled paper for their company indicated they plan to do so in the future, and those that currently use recycled paper plan to increase such purchases in the future.



Source: DMA Recycled Paper Purchasing Study, 1992.

PAPER SPECIFICATION MODIFICATIONS REQUIRED FOR PURCHASING RECYCLED PAPER

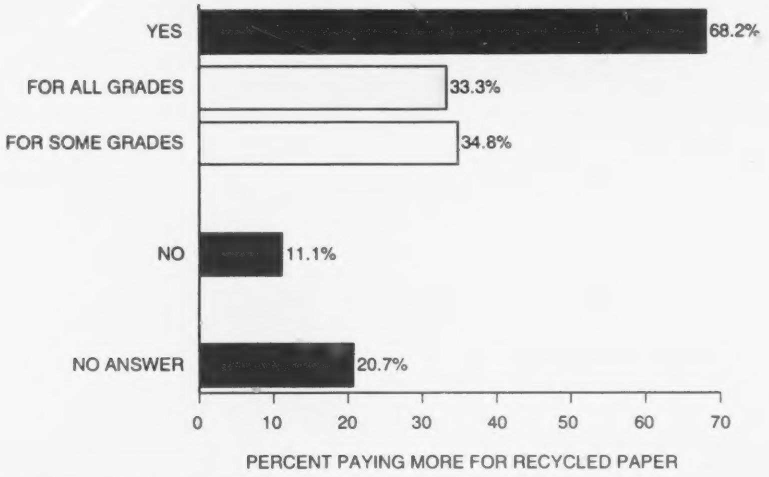
Most respondents cited the need to modify their paper specifications when purchasing recycled paper. Most, however, indicated modifications are made for some grades of recycled paper rather than all grades.



Source: DMA Recycled Paper Purchasing Study, 1992.

PAY MORE FOR RECYCLED PAPER

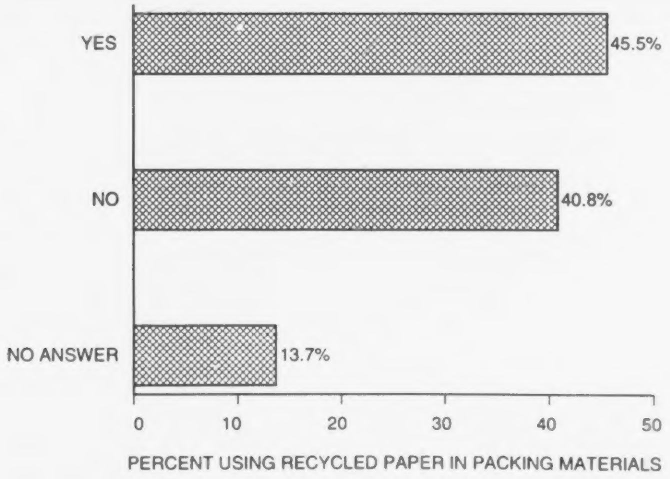
The majority of respondents indicated they do, in fact, pay more for recycled paper. Respondents were somewhat evenly divided in stating they pay more for all grades of recycled paper vs. some grades.



Source: DMA Recycled Paper Purchasing Study, 1992.

USE OF RECYCLED PAPER IN PACKING AND PACKAGING MATERIALS

Respondents are somewhat evenly split in indicating whether they use recycled paper in their packing materials.



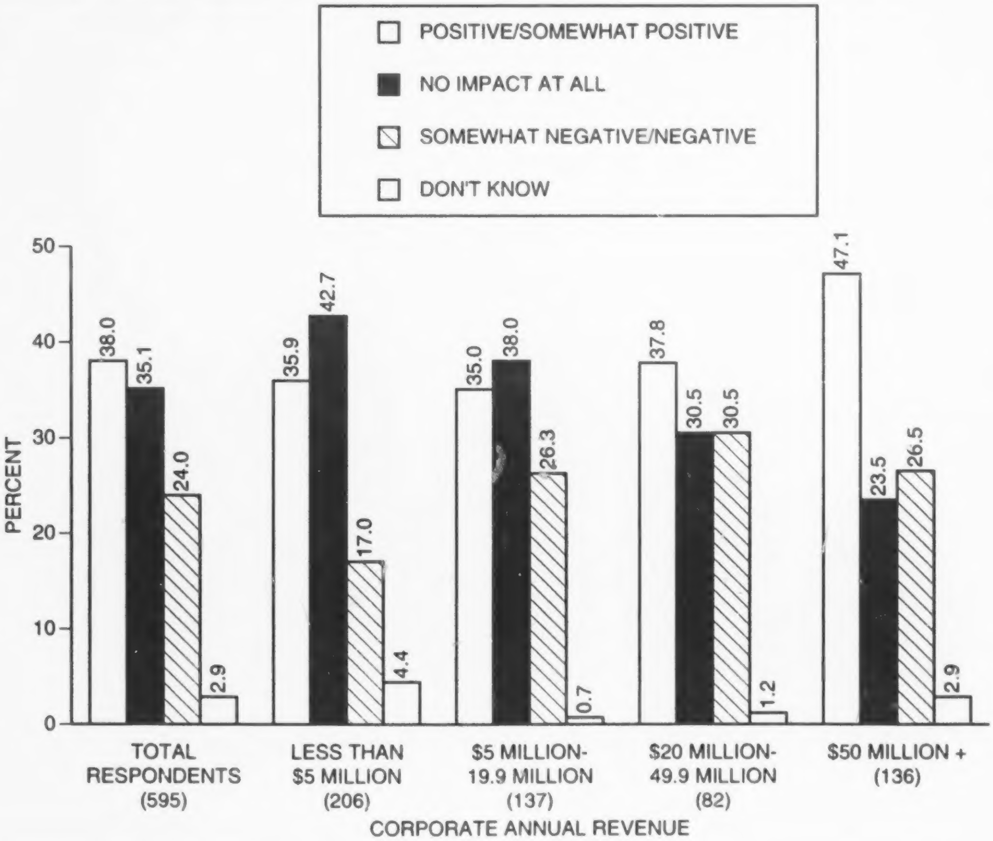
Source: DMA Recycled Paper Purchasing Study, 1992.

In March, 1990, the Direct Marketing Association formed an industry Task Force on Environmental Issues in order to identify ways in which direct marketers can support environmentally sound practices. The following charts are taken from a study that was designed to determine DMA voting members' awareness of environmental questions as they relate to their business. In May, 1990, a questionnaire was sent to 2,881 DMA voting members. A 20.6% response rate was achieved.

PERCEIVED IMPACT OF DIRECT MARKETING ON ENVIRONMENTAL ISSUES

DMA members were asked to indicate the overall impact they believe their organization has on environmental problems. Respondents are about equally divided in the belief that their organization has a positive/somewhat positive impact or that it has no impact at all on environmental problems.

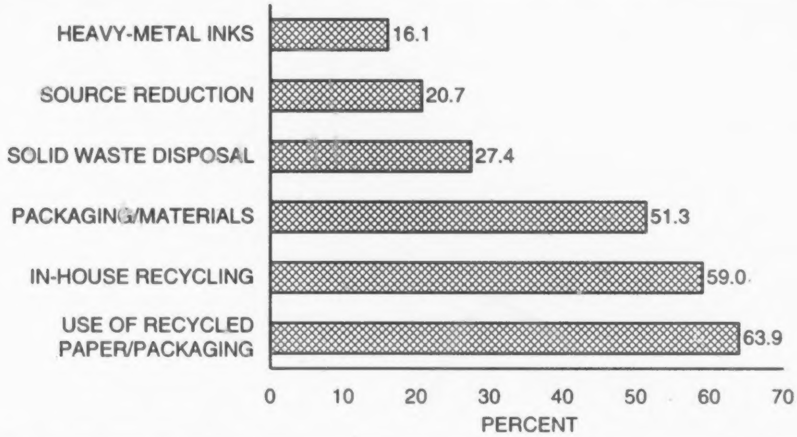
A more detailed analysis by size of firm indicates those with greater annual revenues tend to have less of a perception that their organization has no impact at all on environmental problems.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

ENVIRONMENTAL ISSUES RELATING DIRECTLY TO DIRECT MARKETERS' BUSINESS

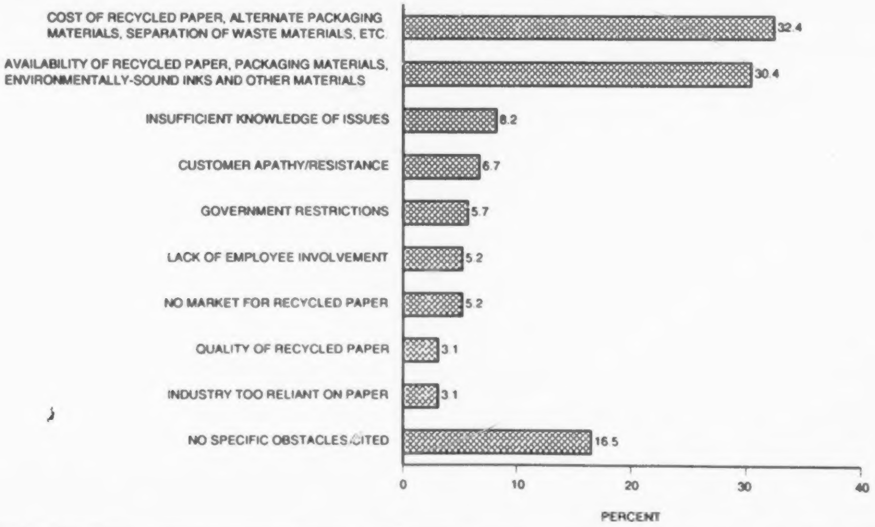
The use of recycled paper/packaging, in-house recycling, and packaging/materials are the top three environmental issues cited which relate directly to the manner in which respondents' businesses operate. Issues cited less frequently by respondents were solid waste disposal, source reduction, and heavy-metal inks.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

OBSTACLES TO SOLVING ENVIRONMENTALLY RELATED BUSINESS PROBLEMS

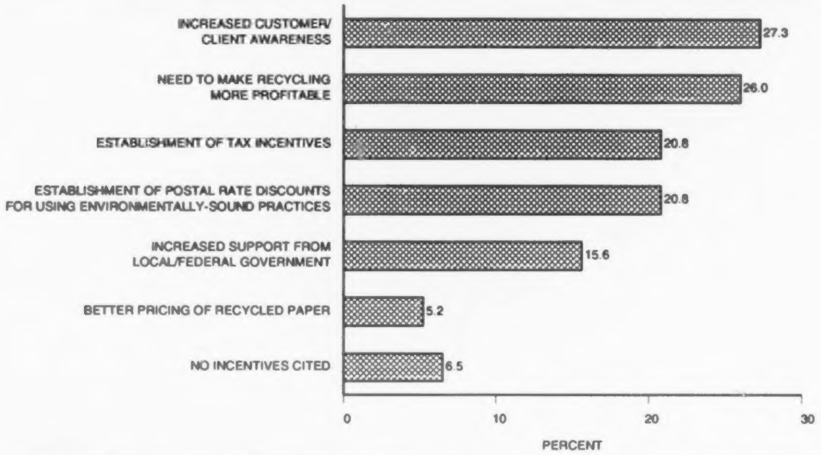
One firm in three reports it is encountering obstacles while trying to solve environmentally related business problems. When asked to identify the obstacles faced, cost was mentioned most frequently (32.4%), followed by the need for better availability of recycled or environmentally safe materials (30.4%).



Source: DMA Environmental Task Force/DMA Research Department, 1990.

INCENTIVES TO OVERCOME OBSTACLES REGARDING ENVIRONMENTALLY RELATED BUSINESS PROBLEMS

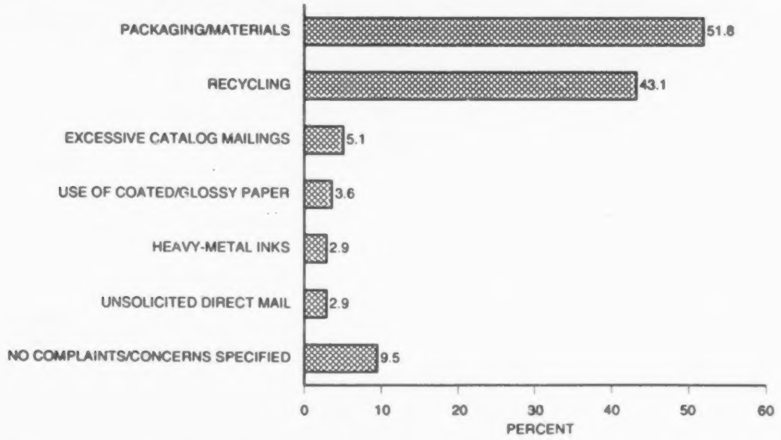
Among firms citing obstacles, the majority (60.3%) indicated there are no incentives, or none of which they are aware, which might help them overcome such obstacles in trying to solve environmentally related business problems. Thirty-nine percent, however, indicated there are incentives which would help.



Source: DMA Environmental Task Force/DMA Research Department, 1990.

TOPICS OF CUSTOMER-EXPRESSED ENVIRONMENTALLY RELATED COMPLAINTS/CONCERNS*

According to respondents, complaints/concerns focus primarily on packaging/materials and recycling issues, with 51.8% and 43.1% indicating, respectively.

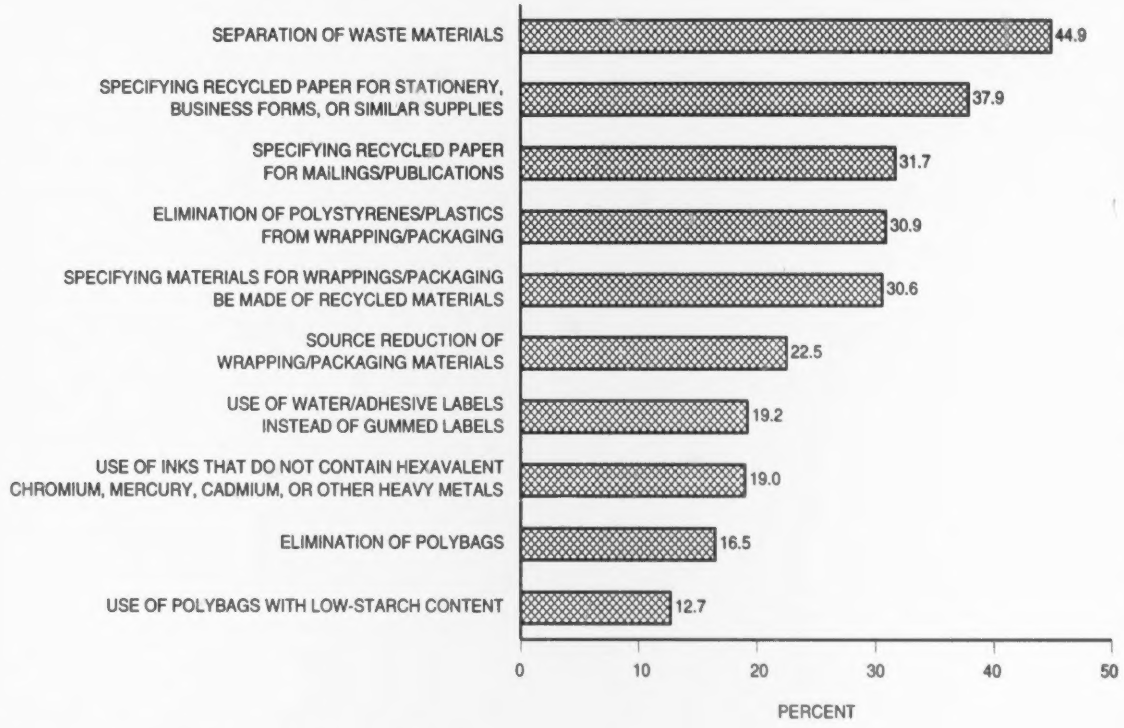


*Note: Table will not total 100% due to multiplicity of response.

Source: DMA Environmental Task Force/DMA Research Department, 1990.

CURRENT AND INTENDED PROGRAMS TO ADDRESS ENVIRONMENTAL QUESTIONS*

Voting members were provided with a list of business-related environmental practices or activities. For each, respondents were asked to indicate whether their organization currently has a program, or plans to implement one within the next two years.



*Note: Table will not total 100% due to multiplicity of response.

Source: DMA Environmental Task Force/DMA Research Department, 1990.

• CATALOG

BUYING HABITS

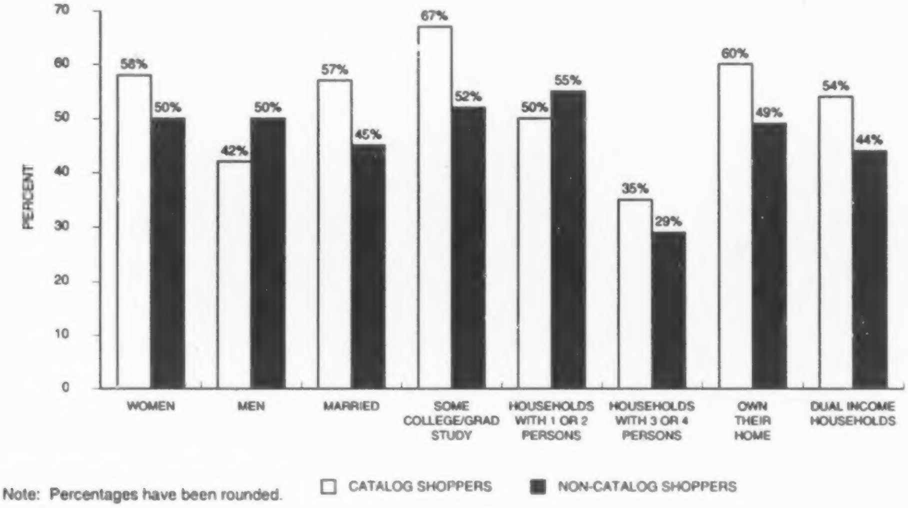
COSTS

TRENDS

ENVIRONMENTAL CONCERNS

DEMOGRAPHICS OF CATALOG SHOPPERS VS. NON-CATALOG SHOPPERS

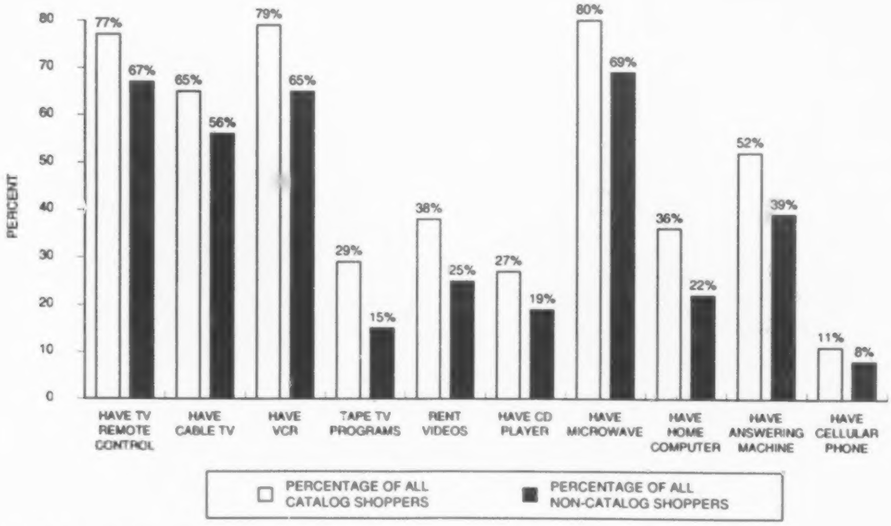
Impact Resources conducted this survey among close to 150,000 shoppers in the United States. The analysis of the results show a world of difference between catalog shoppers' and non-catalog shoppers' lifestyles and shopping habits, with the catalog shopper showing many traits of the upscale shopper.



Note: Percentages have been rounded.

Source: Deloitte & Touche/Impact Resources, 1992.

HOME TECHNOLOGY OF CATALOG SHOPPERS VS. NON-CATALOG SHOPPERS

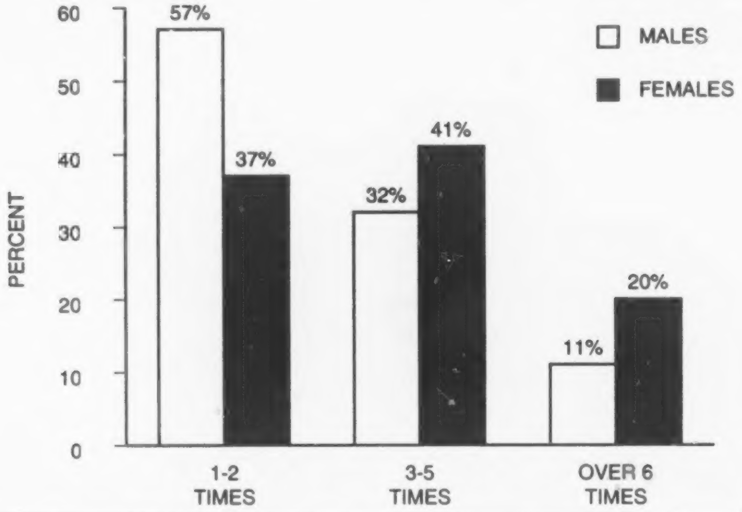


Note: Percentages have been rounded.

Source: Deloitte & Touche/Impact Resources, 1992

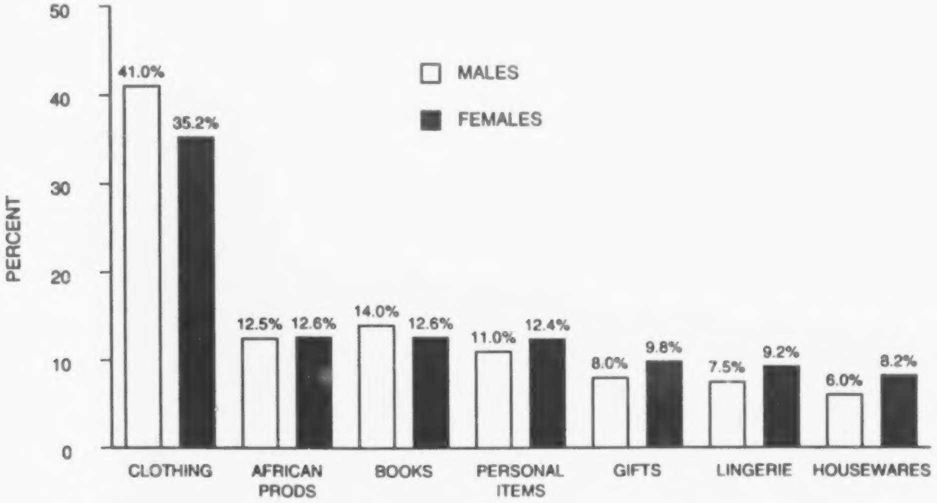
BLACK CATALOG SHOPPERS: PURCHASES LAST 12 MONTHS

Unity Fashions conducted this survey in June 1991 to examine the purchasing patterns of Black consumers who shop through catalogs. Attendees of a Black Expo Convention in New York completed questionnaires, of which 156 were used for this survey.



Source: Unity Fashions, 1992.

BLACK CATALOG SHOPPERS: PRODUCT CHOICES



Source: Unity Fashions, 1992.

CATALOGS

PURCHASES BY MAIL, PHONE OR AT CATALOG STORE IN LAST 12 MONTHS

Most catalog purchases were made by mail, whereas the smallest proportion of catalog sales were made at catalog stores. Overall demographics reveal buyers to be married females between the ages of 35–44 in the midwest region. Those purchasing via phone and mail achieved a higher education level and owned a more expensive residence than those purchasing at a catalog store.

	Total	Bought From Catalogs In Last 12 Months		By Mail		By Phone		At Catalog Store	
	U.S. (000)	(000)	%	(000)	%	(000)	%	(000)	%
TOTAL ADULTS	182,456	81,530	44.7	59,827	32.8	51,120	28.0	11,017	6.0
MALES	87,118	33,318	38.2	24,382	28.0	20,373	23.4	4,617	5.3
FEMALES	95,338	48,212	50.6	35,446	37.2	30,748	32.3	6,401	6.7
18—24	25,530	8,980	35.2	6,504	25.5	5,197	20.4	1,211	4.7
25—34	44,118	19,247	43.6	13,724	31.1	12,764	28.9	2,494	5.7
35—44	37,521	19,819	52.8	13,915	37.1	13,234	35.3	2,794	7.4
45—54	25,346	12,529	49.4	9,157	36.1	8,237	32.5	1,494	5.9
55—64	21,009	10,393	49.5	8,030	38.2	6,924	33.0	1,258	6.0
65 OR OLDER	28,934	10,561	36.5	8,497	29.4	4,764	16.5	1,768	6.1
GRADUATED COLLEGE	35,347	19,670	55.6	14,908	42.2	13,904	39.3	2,345	6.6
ATTENDED COLLEGE	35,167	17,891	50.9	12,978	36.9	11,904	33.8	2,441	6.9
GRADUATED HIGH SCHOOL	70,823	31,841	45.0	23,036	32.5	19,497	27.5	4,459	6.3
DID NOT GRADUATE HIGH SCHOOL	41,119	12,127	29.5	8,906	21.7	5,816	14.1	1,773	4.3
PROFESSIONAL/MANAGER	31,819	18,578	58.4	13,690	43.0	13,582	42.7	2,302	7.2
TECHNICAL/CLERICAL SALES	39,581	20,569	52.0	14,816	37.4	13,542	34.2	2,560	6.5
PRECISION/CRAFT	14,839	5,615	37.8	3,945	26.6	3,309	22.3	874	5.9
OTHER EMPLOYED	39,001	15,572	39.9	10,701	27.4	9,444	24.2	1,996	5.1
SINGLE	40,179	14,199	35.3	10,337	25.7	8,682	21.6	1,470	3.7
MARRIED	108,808	54,542	50.1	39,255	36.1	35,957	33.0	7,655	7.0
DIVORCED,SEPARATED,WIDOWED	33,469	12,789	38.2	10,235	30.6	6,481	19.4	1,892	5.7
PARENTS	60,855	29,645	48.7	20,496	33.7	20,017	32.9	4,256	7.0
NORTHEAST-CENSUS	38,593	16,822	43.6	12,214	31.6	11,293	29.3	1,754	4.5
MIDWEST	44,281	24,055	54.3	16,937	38.2	16,301	36.8	3,796	8.6
SOUTH	62,591	26,310	42.0	19,368	30.9	15,053	24.0	3,772	6.0
WEST	36,991	14,342	38.8	11,308	30.6	8,472	22.9	1,695	4.6
HOUSEHOLD INCOME									
$75,000 OR MORE	21,409	11,917	55.7	8,829	41.2	8,618	40.3	1,309	6.1
$60,000 OR MORE	36,836	20,358	55.3	15,354	41.7	14,304	38.8	2,179	5.9
$50,000 OR MORE	53,155	29,001	54.6	21,498	40.4	20,283	38.2	3,451	6.5
$40,000 OR MORE	75,291	40,704	54.1	29,805	39.6	28,596	38.0	5,019	6.7
$30,000 OR MORE	102,396	53,940	52.7	39,215	38.3	36,656	35.8	6,730	6.6
$30,000—$39,999	27,105	13,237	48.8	9,411	34.7	8,060	29.7	1,711	6.3
$20,000—$29,999	30,317	12,847	42.4	9,593	31.6	7,594	25.0	2,138	7.1
$10,000—$19,999	29,855	9,880	33.1	7,302	24.5	4,741	15.9	1,570	5.3
UNDER $10,000	19,888	4,862	24.4	3,717	18.7	2,129	10.7	579	2.9
HOUSEHOLD SIZE									
1 PERSON	23,383	8,412	36.0	6,517	27.9	4,379	18.7	893	3.8
2 PEOPLE	59,547	25,966	43.6	19,856	33.3	15,671	26.3	3,810	6.4
3 OR 4 PEOPLE	72,643	35,487	48.9	25,191	34.7	23,557	32.4	4,514	6.2
5 OR MORE PEOPLE	26,884	11,665	43.4	8,264	30.7	7,514	27.9	1,799	6.7
NO CHILD IN HOUSEHOLD	109,702	47,364	43.2	36,015	32.8	28,222	25.7	6,137	5.6
CHILDREN UNDER 2 YEARS	15,048	6,556	43.6	4,586	30.5	4,370	29.0	982	6.5
2—5 YEARS	25,473	11,795	46.3	7,932	31.1	7,912	31.1	1,869	7.3
6—11 YEARS	34,011	15,679	46.1	10,652	31.3	10,257	30.2	2,704	8.0
12—17 YEARS	33,774	16,123	47.7	11,536	34.2	10,669	31.6	2,210	6.5
RESIDENCE OWNED	124,747	62,633	50.2	45,502	36.5	41,505	33.3	8,679	7.0
VALUE $70,000 OR MORE	69,554	37,849	54.4	27,707	39.8	26,174	37.6	4,726	6.8
VALUE LESS THAN $70,000	55,193	24,784	44.9	17,796	32.2	15,331	27.8	3,953	7.2

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets.

CATALOGS

NUMBER OF PURCHASES IN LAST 12 MONTHS

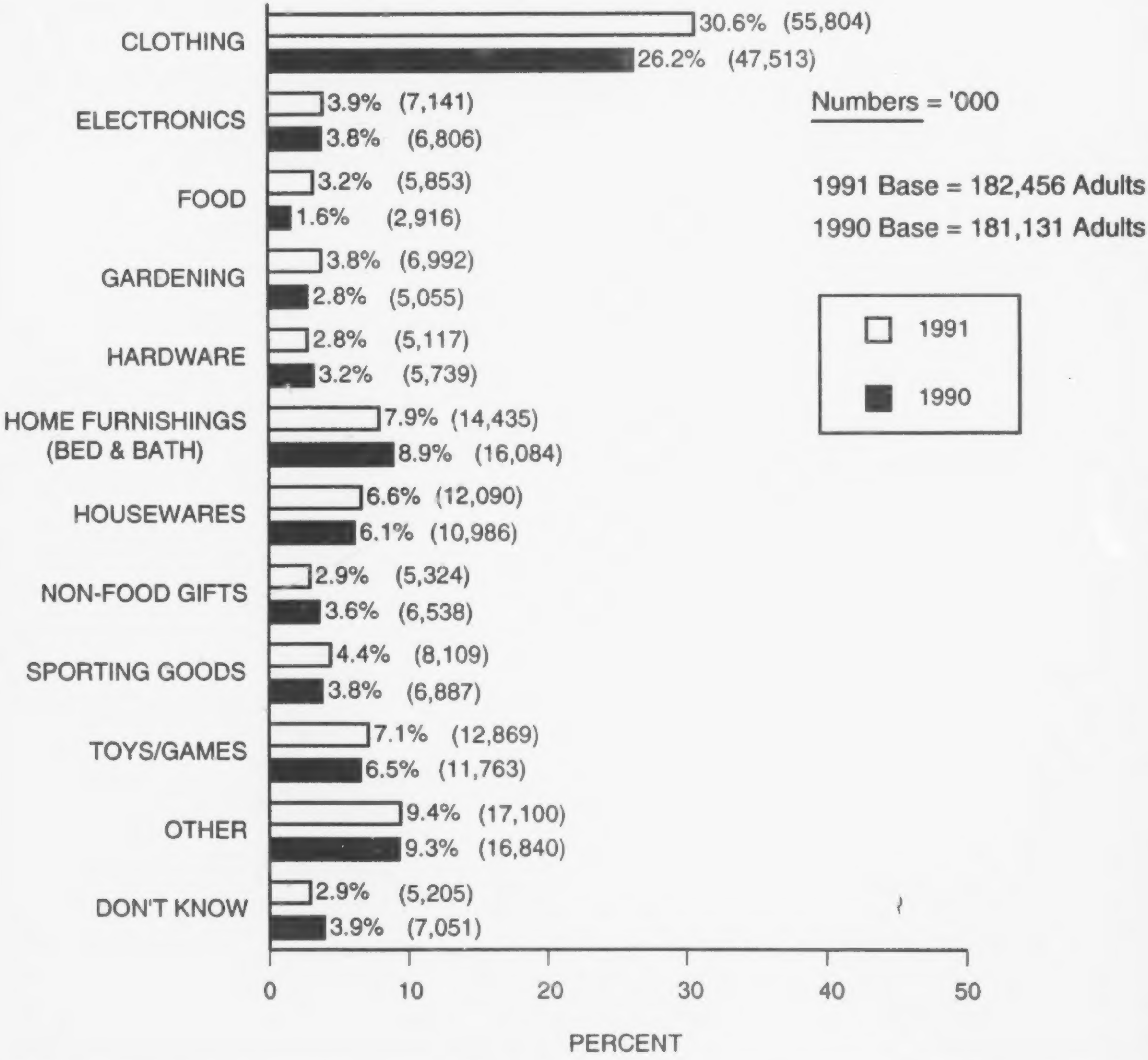
Respondents purchasing from a catalog for either themselves or for someone else within the last 12 months are more likely to be females. They are also more likely to be married individuals between the ages of 35–44 that have graduated college, are employed at the professional/managerial level, reside in the midwest and own a residence valued at $70,000 or more.

	Total	Bought For Yourself in Last 12 Months		3 or More Times		Bought for Someone Else in Last 12 Months		3 or More Times	
	U.S. (000)	(000)	%	(000)	%	(000)	%	(000)	%
TOTAL ADULTS	182,456	73,155	40.1	39,150	21.5	43,106	23.6	17,919	9.8
MALES	87,118	29,737	34.1	14,647	16.8	16,179	18.6	6,508	7.5
FEMALES	95,338	43,418	45.5	24,503	25.7	26,927	28.2	11,411	12.0
18—24	25,530	8,035	31.5	3,824	15.0	3,979	15.6	1,332	5.2
25—34	44,118	17,455	39.6	8,831	20.0	10,832	24.6	4,496	10.2
35—44	37,521	17,579	46.9	9,548	25.4	11,344	30.2	4,791	12.8
45—54	25,346	11,258	44.4	6,305	24.9	6,762	26.7	3,000	11.8
55—64	21,009	9,536	45.4	5,532	26.3	5,588	26.6	2,607	12.4
65 OR OLDER	28,934	9,292	32.1	5,110	17.7	4,602	15.9	1,693	5.9
GRADUATED COLLEGE	35,347	18,102	51.2	10,954	31.0	11,271	31.9	5,469	15.5
ATTENDED COLLEGE	35,167	15,950	45.4	9,068	25.8	9,953	28.3	4,185	11.9
GRADUATED HIGH SCHOOL	70,823	28,405	40.1	14,083	19.9	16,689	23.6	6,123	8.6
DID NOT GRADUATE HIGH SCHOOL	41,119	10,698	26.0	5,045	12.3	5,193	12.6	2,142	5.2
PROFESSIONAL/MANAGER	31,819	17,027	53.5	10,132	31.8	10,730	33.7	4,796	15.1
TECHNICAL/CLERICAL SALES	39,581	18,540	46.8	10,014	25.3	11,292	28.5	4,901	12.4
PRECISION/CRAFT	14,839	5,042	34.0	2,282	15.4	2,901	19.5	1,169	7.9
OTHER EMPLOYED	39,001	13,770	35.3	6,953	17.8	7,862	20.2	3,175	8.1
SINGLE	40,179	13,050	32.5	6,518	16.2	6,444	16.0	2,571	6.4
MARRIED	108,808	48,578	44.6	26,620	24.5	30,287	27.8	12,872	11.8
DIVORCED,SEPARATED,WIDOWED	33,469	11,528	34.4	6,012	18.0	6,375	19.0	2,476	7.4
PARENTS	60,855	26,073	42.8	14,009	23.0	17,954	29.5	7,396	12.2
NORTHEAST-CENSUS	38,593	14,843	38.5	9,043	23.4	9,803	25.4	4,867	12.6
MIDWEST	44,281	21,366	48.3	11,526	26.0	13,240	29.9	5,593	12.6
SOUTH	62,591	23,907	38.2	12,182	19.5	13,511	21.6	5,192	8.3
WEST	36,991	13,039	35.2	6,400	17.3	6,551	17.7	2,268	6.1
HOUSEHOLD INCOME									
$75,000 OR MORE	21,409	10,809	50.5	6,279	29.3	7,017	32.8	3,153	14.7
$60,000 OR MORE	36,836	18,387	49.9	10,224	27.8	11,412	31.0	5,191	14.1
$50,000 OR MORE	53,155	26,230	49.3	14,498	27.3	16,087	30.3	7,380	13.9
$40,000 OR MORE	75,291	36,858	49.0	20,597	27.4	23,100	30.7	10,012	13.3
$30,000 OR MORE	102,396	48,519	47.4	26,925	26.3	29,977	29.3	12,695	12.4
$30,000—$39,999	27,105	11,661	43.0	6,328	23.3	6,877	25.4	2,683	9.9
$20,000—$29,999	30,317	11,620	38.3	5,717	18.9	6,535	21.6	2,528	8.3
$10,000—$19,999	29,855	8,719	29.2	4,341	14.5	4,389	14.7	1,805	6.0
UNDER $10,000	19,888	4,297	21.6	2,167	10.9	2,205	11.1	891	4.5
HOUSEHOLD SIZE									
1 PERSON	23,383	7,609	32.5	4,267	18.2	4,019	17.2	1,688	7.2
2 PEOPLE	59,547	23,650	39.7	13,488	22.7	12,960	21.8	5,541	9.3
3 OR 4 PEOPLE	72,643	31,716	43.7	16,602	22.9	19,631	27.0	8,017	11.0
5 OR MORE PEOPLE	26,884	10,181	37.9	4,793	17.8	6,496	24.2	2,674	9.9
NO CHILD IN HOUSEHOLD	109,702	43,054	39.2	23,619	21.5	22,959	20.9	9,671	8.8
CHILDREN UNDER 2 YEARS	15,048	5,902	39.2	2,837	18.9	3,688	24.5	1,460	9.7
2—5 YEARS	25,473	10,313	40.5	5,428	21.3	7,154	28.1	3,063	12.0
6—11 YEARS	34,011	13,440	39.5	7,037	20.7	9,716	28.6	4,131	12.1
12—17 YEARS	33,774	14,269	42.2	7,239	21.4	9,012	26.7	3,796	11.2
RESIDENCE OWNED	124,747	56,264	45.1	30,301	24.3	33,442	26.8	14,165	11.4
VALUE $70,000 OR MORE	69,554	34,176	49.1	19,318	27.8	21,326	30.7	9,005	12.9
VALUE LESS THAN $70,000	55,193	22,087	40.0	10,983	19.9	12,116	22.0	5,160	9.3

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets.

TYPES OF MERCHANDISE BOUGHT FROM CATALOGS IN THE LAST 12 MONTHS

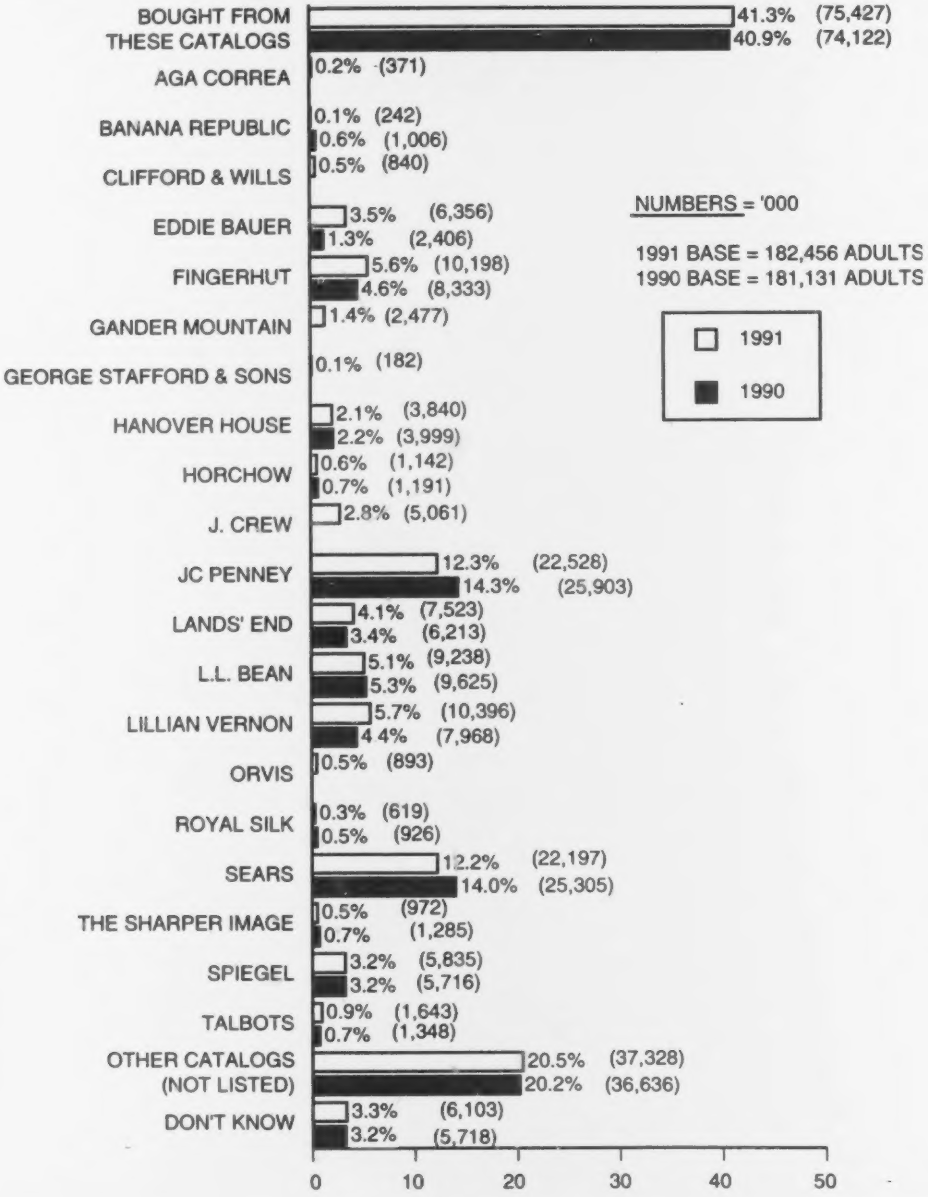
Catalog purchases for all types of merchandise increased in 1991, with the exception of hardware, home furnishings and non-food gifts.



Source: Simmons Market Research Bureau: 1990 & 1991 Study of Media and Markets.

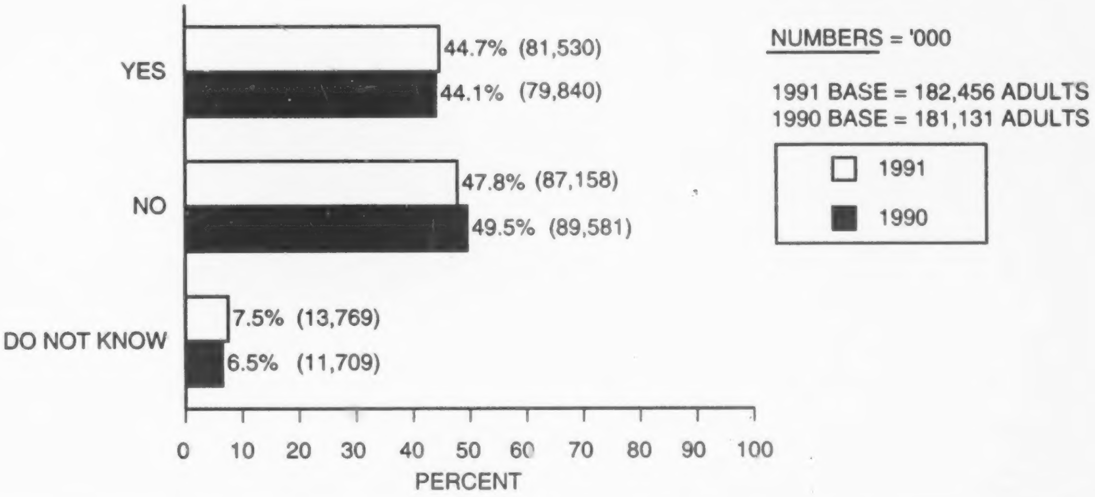
CATALOGS ADULTS HAVE BOUGHT MERCHANDISE FROM IN THE LAST 12 MONTHS

Purchases via catalogs increased for Eddie Bauer, Fingerhut, Lands' End, and Lillian Vernon in 1991.



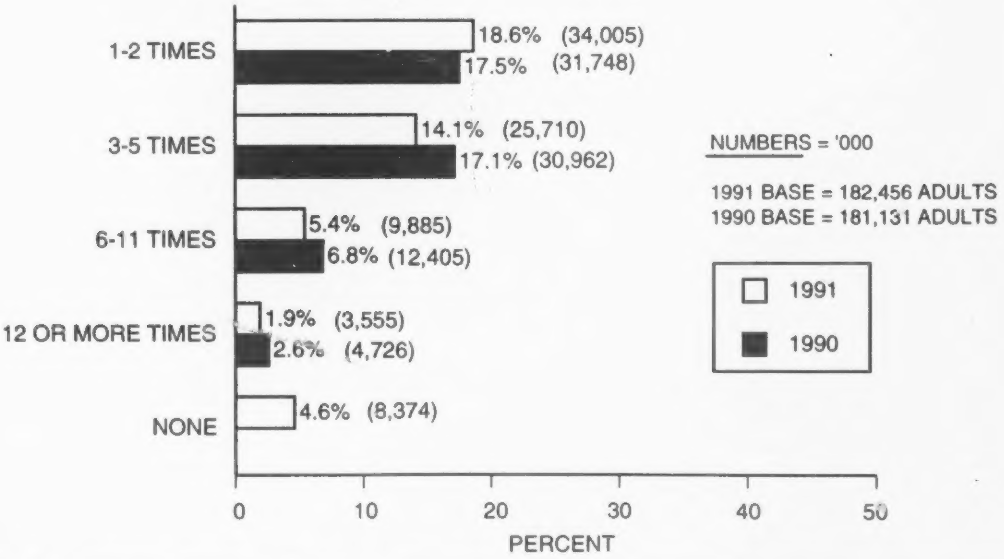
Source: Simmons Market Research Bureau: 1990 and 1991 Study of Media and Markets.

ADULTS WHO HAVE BOUGHT MERCHANDISE FROM A CATALOG IN THE LAST 12 MONTHS



Source: Simmons Market Research Bureau: 1990 & 1991 Study of Media and Markets.

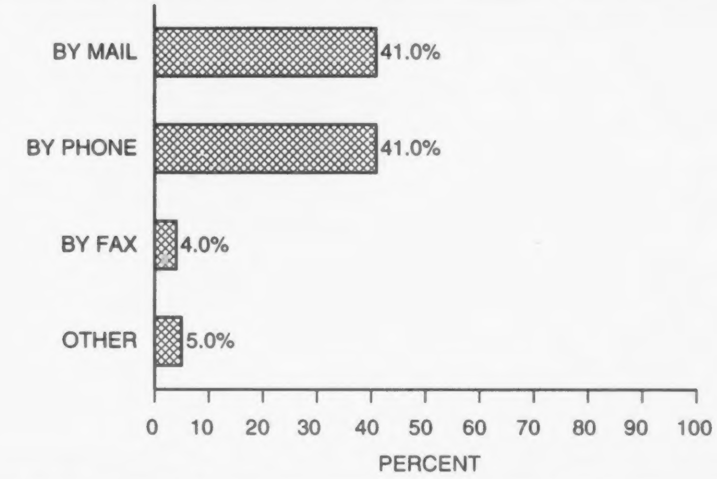
NUMBER OF TIMES ADULTS HAVE BOUGHT MERCHANDISE FROM A CATALOG IN THE LAST 12 MONTHS



Source: Simmons Market Research Bureau: 1990 & 1991 Study of Media and Markets

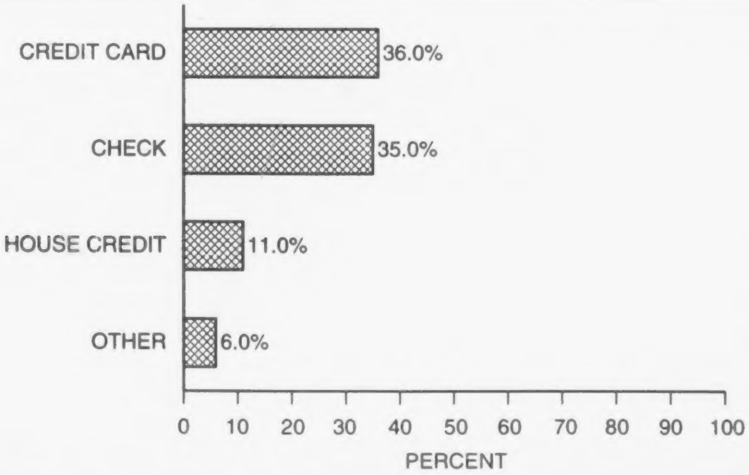
THE FIFTH ANNUAL CATALOG AGE STUDY: The Comprehensive Annual Analysis of Catalog Trends and Practices provides a comprehensive and quantitative overview of virtually every aspect of catalog marketing. Conducted and compiled during the summer and fall of 1991, the 8-page market survey was mailed to a random sampling of 2,000 catalog company executives culled from the Catalog Age subscriber list. The data presented by the 1991 report represent the answers of the 494 survey respondents.

PERCENTAGE OF ORDERS RECEIVED THROUGH MAIL, PHONE, FAX, OTHER



Source: Catalog Age, The Catalog Age Report, 1991.

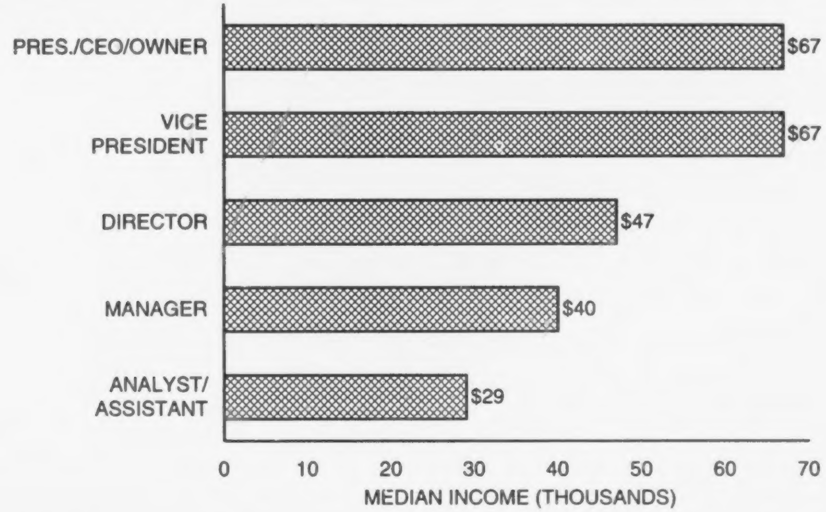
PERCENTAGE OF ORDERS PAID BY CREDIT CARD, CHECK, HOUSE CREDIT, OTHER



Source: Catalog Age, The Catalog Age Report, 1991.

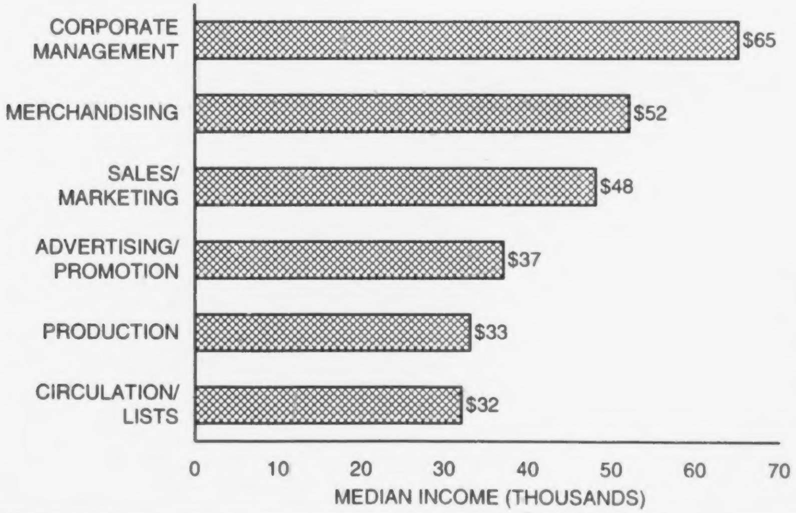
CATALOG COMPENSATION

Cowles Business Media conducted this survey in 1992 among 3,778 subscribers of Catalog Age and its sister publication, Direct. Of the 1,575 responses received, 786 met the definition of a catalog company (defined for this study as companies that produce between one and nine catalog titles annually) and were included in Catalog Age's Compensation Report.



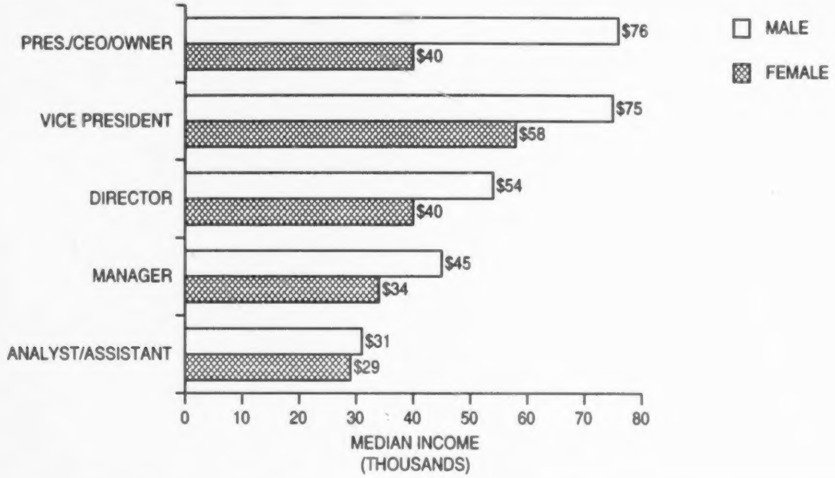
Source: Catalog Age, 1992.

MEDIAN INCOME, BY JOB SPECIALTY



Source: Catalog Age, 1992.

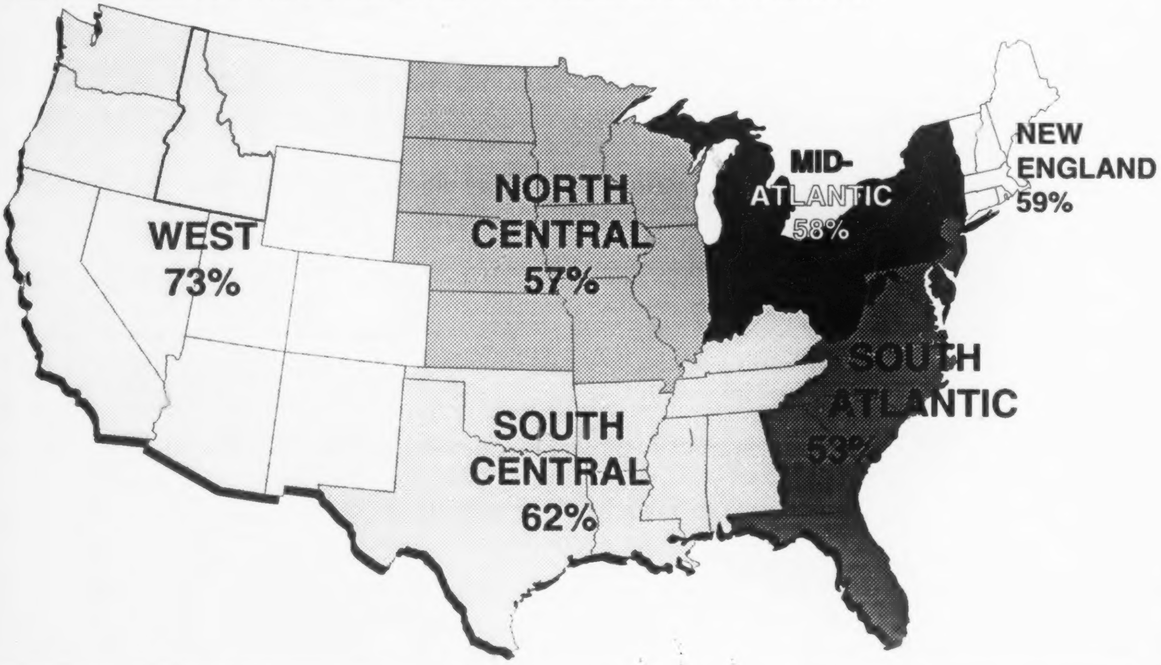
INCOME BY TITLE: MALE vs. FEMALE



Source: Catalog Age, 1992.

JOB SATISFACTION OUTLOOK BY GEOGRAPHIC AREA

PERCENTAGE RATING FUTURE VERY OPTIMISTIC OR OPTIMISTIC


WEST 73%
NORTH CENTRAL 57%
MID-ATLANTIC 58%
NEW ENGLAND 59%
SOUTH ATLANTIC 53%
SOUTH CENTRAL 62%

Source: Catalog Age, 1992.

AVERAGE FULFILLMENT COSTS

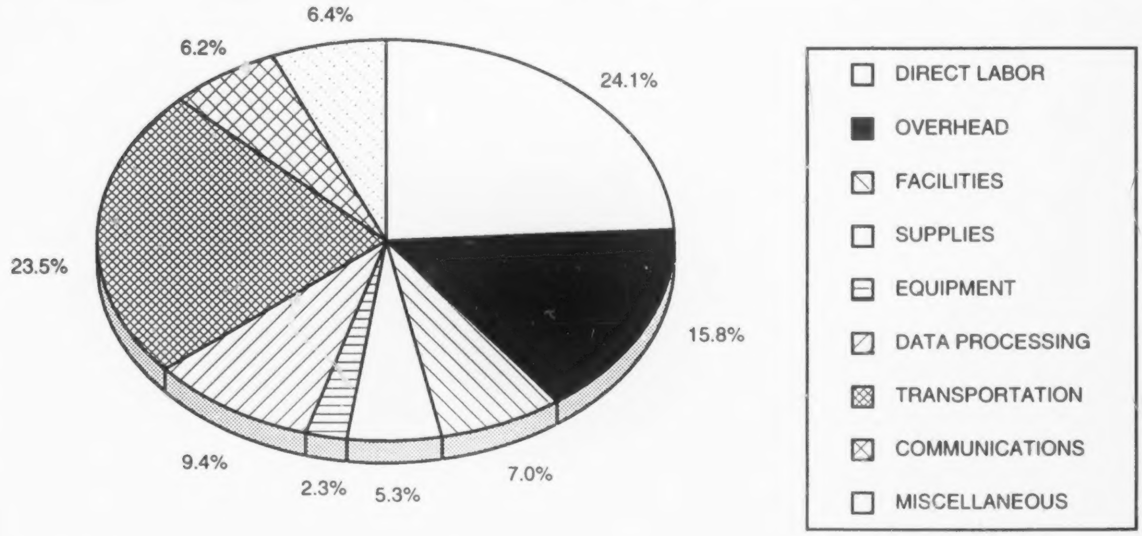
In 1990, Directel underwrote a series of studies focusing on fulfillment—its components and its costs. A mail questionnaire was sent to the president or chief financial officer of several hundred consumer catalog companies. An 11% response rate was achieved.

Cost category	Avg. cost as % of sales	Avg. cost per order
Direct labor	4.2%	$4.48
Overhead	2.7%	4.80
Facilities	1.2%	1.63
Supplies	0.9%	1.02
Equipment	0.4%	0.51
Data processing	1.6%	2.04
Transportation	4.0%	3.99
Communications	1.1%	1.60
Miscellaneous	1.1%	0.82
Total cost	17.2%	$20.89

Source: Catalog Age/Directel, 1990.

HOW FULFILLMENT COSTS BREAK DOWN

Together, direct labor, overhead and transportation account for 63.4 percent of total average fulfillment costs. Overall, the study showed that fulfillment costs eat up an average of 17.2 percent of total catalog sales dollars.



Source: Catalog Age/Directel, 1990.

TYPICAL CATALOG DEVELOPMENT COSTS

Printed on 60# enamel, self-cover, saddle stitched. Photography and separations not included.

			Cost per thousand			
FINISHED SIZE	Pages	Colors	25M	50M	100M	300M
8-1/2" X 11"	32	2	$492.10	$333.45	$253.89	$199.27
8-1/2" X 11"	32	4	642.11	442.56	322.11	243.06
8-1/2" X 11"	48	2	709.44	481.75	372.55	297.80
8-1/2" X 11"	48	4	880.08	605.85	449.41	344.58
8-1/2" X 11"	64	2	911.13	618.66	475.77	375.92
8-1/2" X 11"	64	4	1101.95	757.45	566.20	437.60
8-1/2" X 11"	96	2	1252.56	817.73	663.48	534.93
8-1/2" X 11"	96	4	1475.57	1019.39	764.10	599.18
5-1/2" X 8-1/2"	32	2	292.50	199.09	148.11	110.96
5-1/2" X 8-1/2"	32	4	381.98	264.17	188.78	134.43
5-1/2" X 8-1/2"	48	2	431.00	292.54	220.54	166.30
5-1/2" X 8-1/2"	48	4	530.01	364.55	264.26	192.24
5-1/2" X 8-1/2"	64	2	609.97	415.43	314.99	238.06
5-1/2" X 8-1/2"	64	4	757.06	522.41	376.59	273.03

Source: Alpert O'Neill Tigre, 1992.

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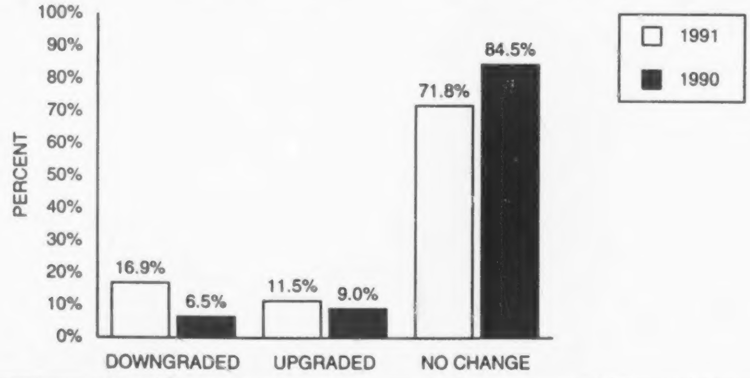
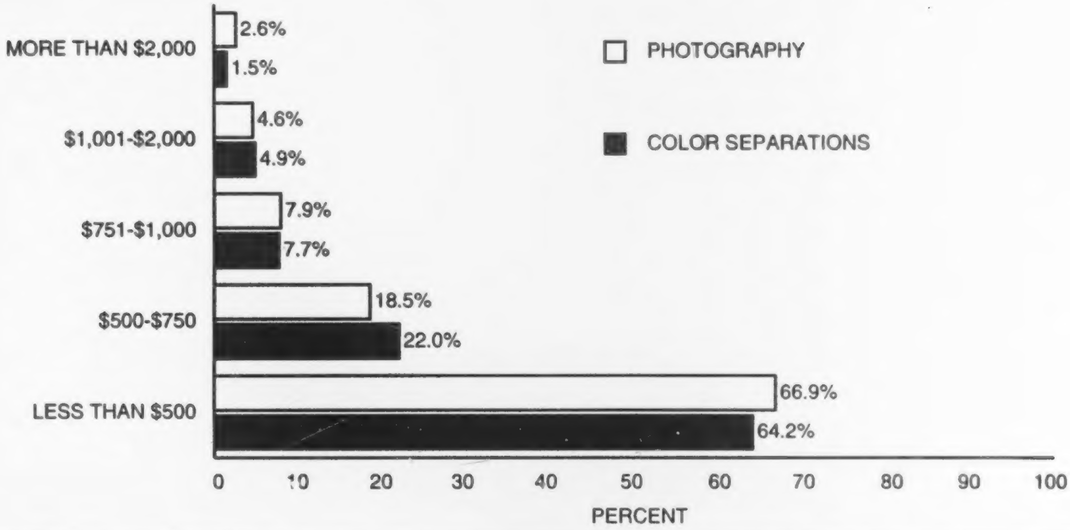
CATALOGERS THAT HAVE UPGRADED OR DOWNGRADED PAPER QUALITY IN THE PAST 12 MONTHS

In the last year, 11.5% of all catalogers note that they have upgraded paper. Respondents indicating they downgraded has increased from 6.5% to 16.9% for this year's study.



Source: Catalog Age, The Catalog Age Report, 1991.

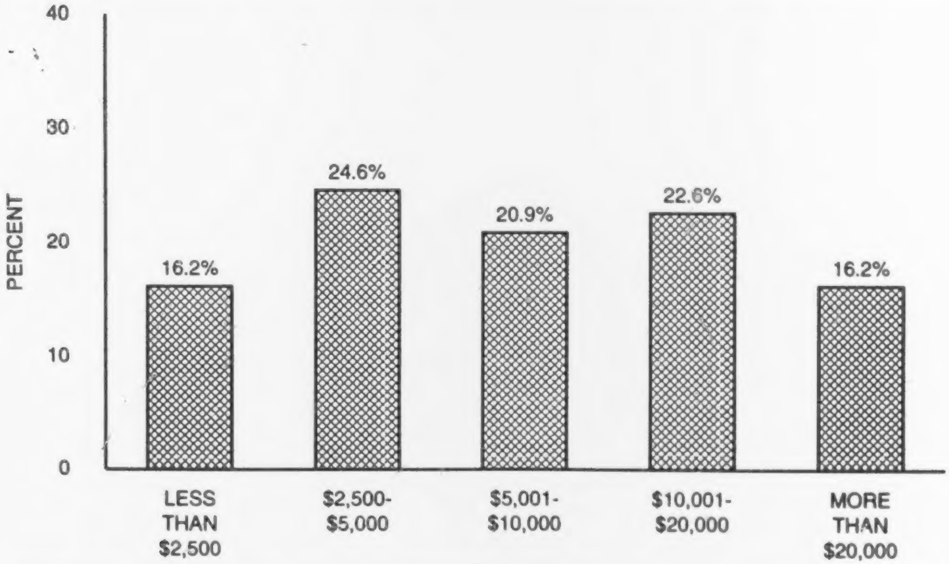
EXPENDITURES PER PAGE



Source: Catalog Age, The Catalog Age Report, 1991.

AMOUNT SPENT ON DESKTOP PUBLISHING EQUIPMENT

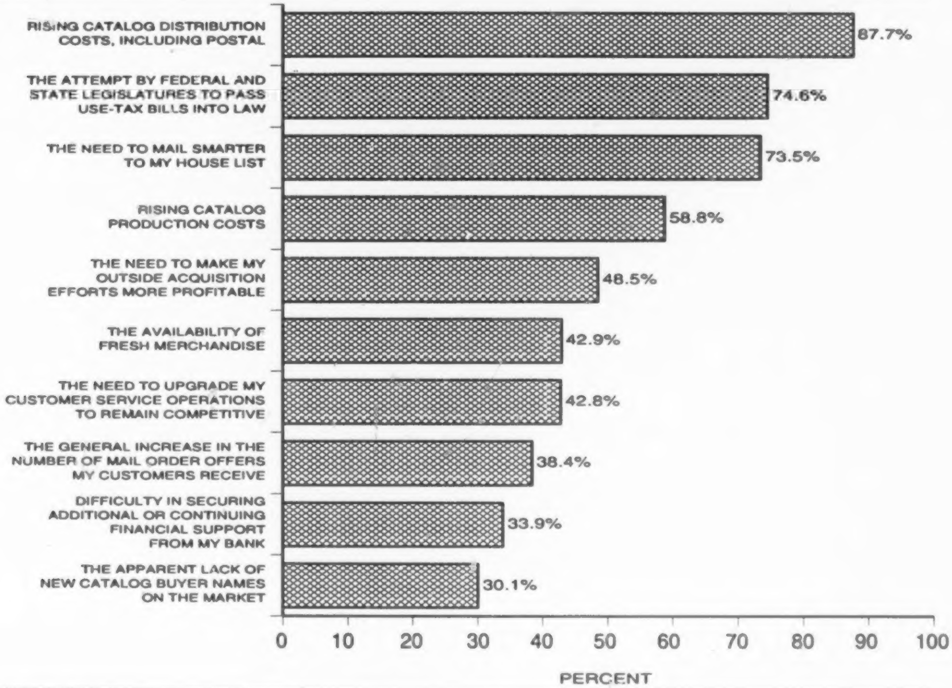
More than 75% of respondents note they spent less than $20,000 to purchase their desktop publishing equipment.



Source: Catalog Age, The Catalog Age Report, 1991.

TOP TEN ISSUES MOST CONCERNING CATALOGERS

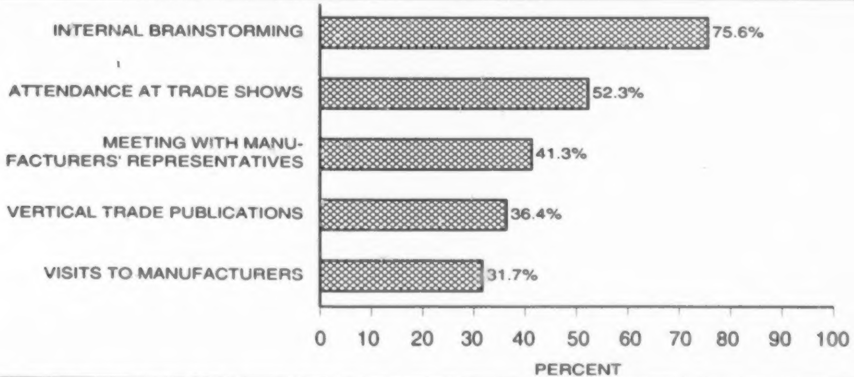
Catalogers were asked to rate 15 issues using a five point scale, where 1 represents a critically important issue and 5 represents a relatively minor one. The percentages below represent the total number of respondents rating each issue 1 or 2.



Source: Catalog Age, The CATALOG AGE Report, 1991.

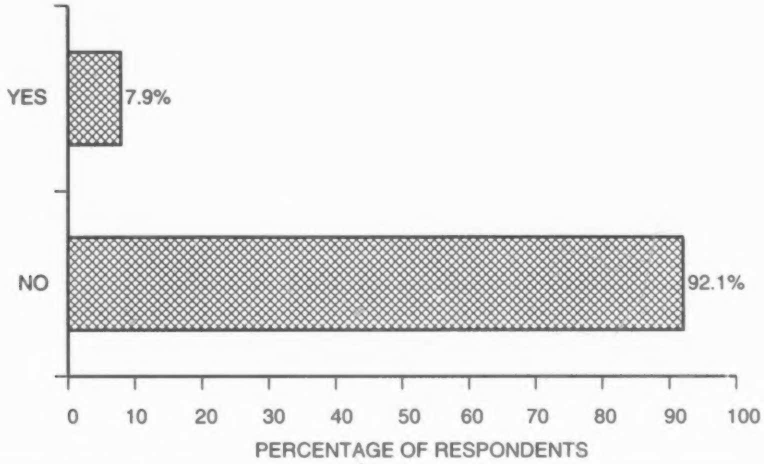
TOP FIVE SOURCES OF MERCHANDISE

Catalogers were asked to rate eight sources of merchandise using a five point scale, where 1 represents a very important merchandise source and 5 represents a very poor one. The percentages below represent those ranked in the top 2, in terms of importance.



Source: Catalog Age, The CATALOG AGE Report, 1991.

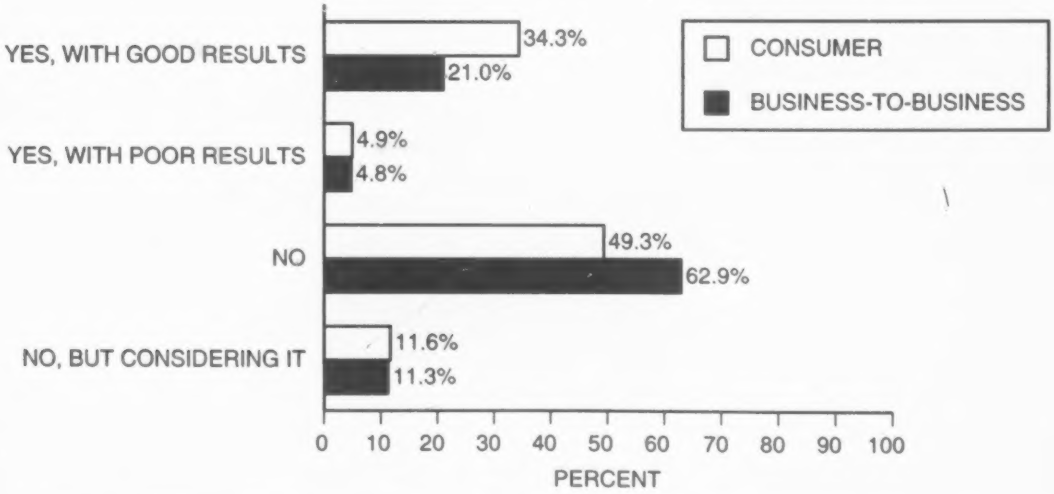
WHETHER CATALOGERS USE ALTERNATE OR PRIVATE DELIVERY TO DISTRIBUTE THEIR CATALOGS



Source: Catalog Age, The CATALOG AGE Report, 1991.

CATALOGERS WHO HAVE USED NATIONAL CHANGE OF ADDRESS (NCOA)

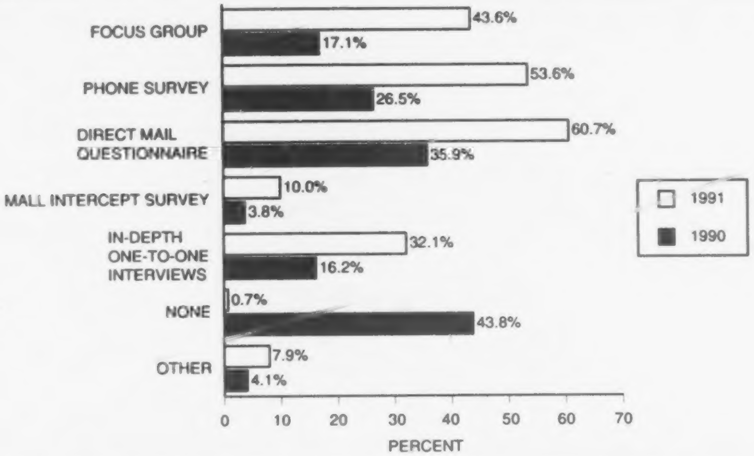
A greater proportion of consumer catalogers have used (NCOA) with good results, vs. business-to-business catalogers.



Source: Catalog Age, The CATALOG AGE Report, 1991.

METHODS OF MARKET RESEARCH CONDUCTED BY CATALOGERS

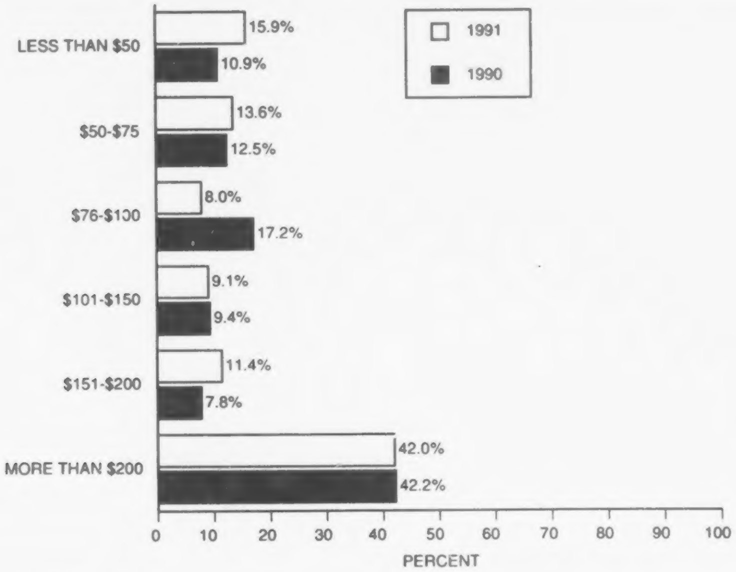
Use of most of the research methods listed below have nearly doubled from 1990 to 1991.



Source: Catalog Age, The CATALOG AGE Report, 1991.

LIFETIME VALUE OF A CUSTOMER

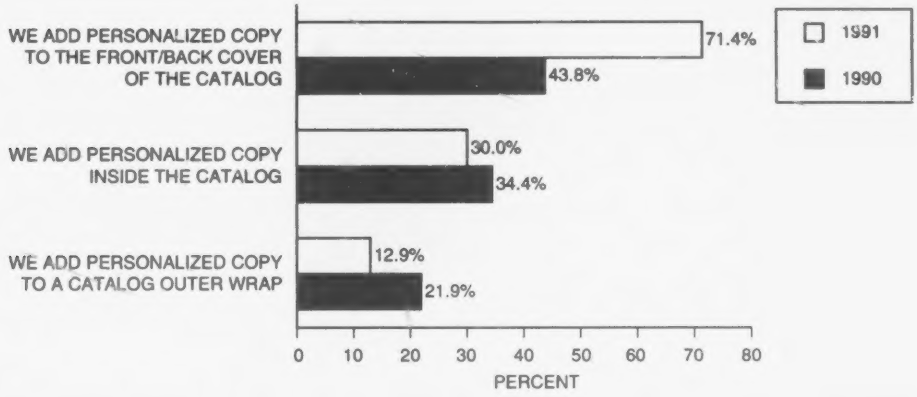
Lifetime Value—A measurement of long-term dollar value of a customer, subscriber, donor, etc. As in 1990, the majority of buyers for 1991 (58.0%) are valued at less than $200.



Source: Catalog Age, The CATALOG AGE Report, 1991.

PERSONALIZATION IN CATALOGS

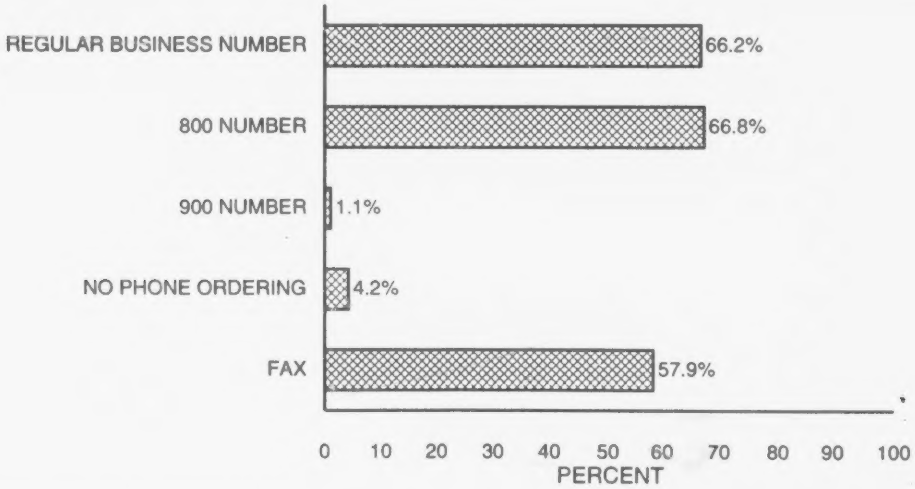
The majority of respondents (71.4%) indicate they add personalized copy to the front and/or back cover of the catalog.



Source: Catalog Age, The CATALOG AGE Report, 1991.

TELEPHONE NUMBERS PROVIDED FOR CUSTOMER ORDERS

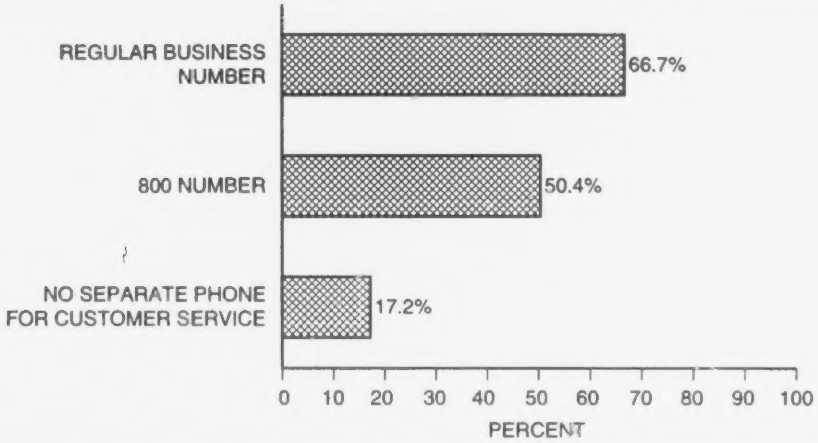
About 66% of catalogers report that they offer a regular business phone or 800 number and 58% indicate offering fax ordering.



Source: Catalog Age, The CATALOG AGE Report, 1991.

TELEPHONE NUMBERS PROVIDED FOR CUSTOMER SERVICE

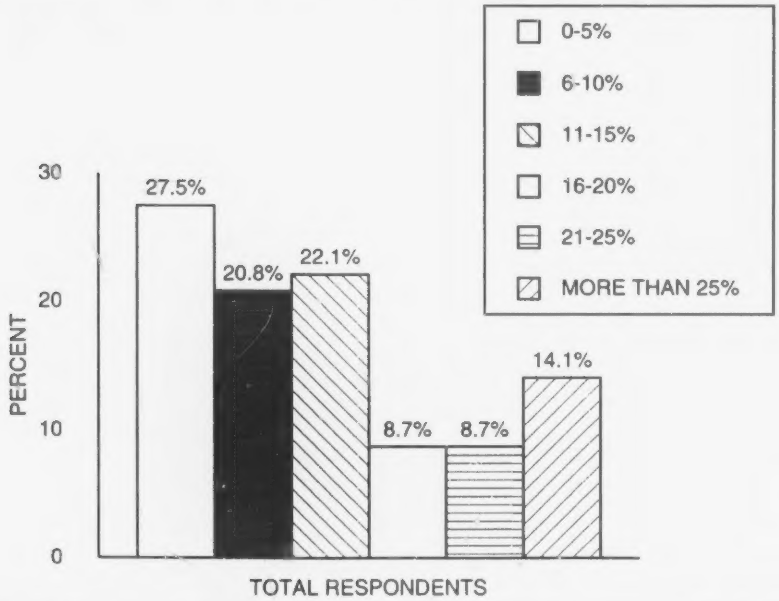
50.4% of catalogers now offer toll-free customer service. Catalogers who offer no phone for customer service constitute 17.2% for this year.



Source: Catalog Age, The CATALOG AGE Report, 1991.

CONVERSION RATES FROM PAID CATALOGS

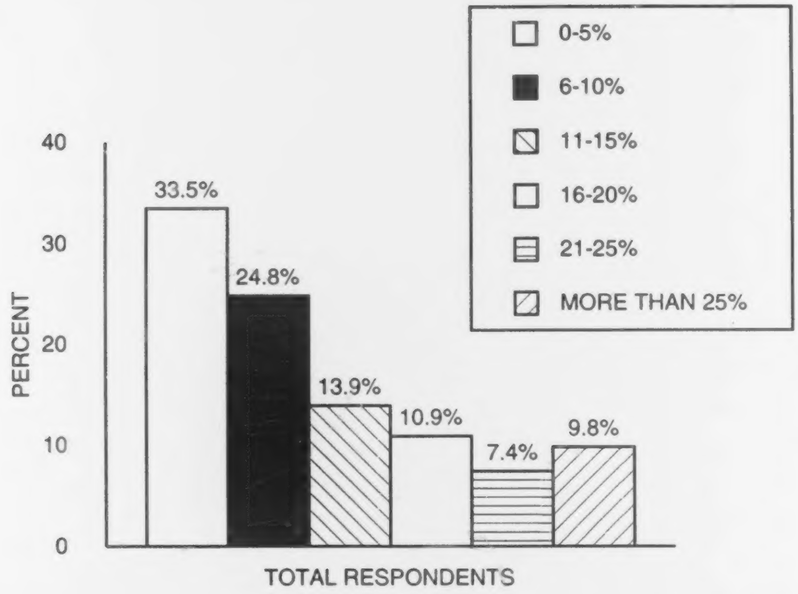
What percent, roughly, of your leads turn to buyers?



Source: Catalog Age, The CATALOG AGE Report, 1991.

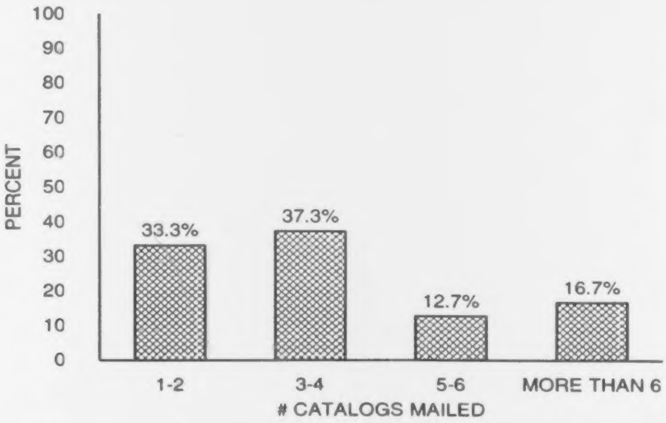
CONVERSION RATES FROM FREE CATALOGS

What percent, roughly, of your leads turn to buyers?



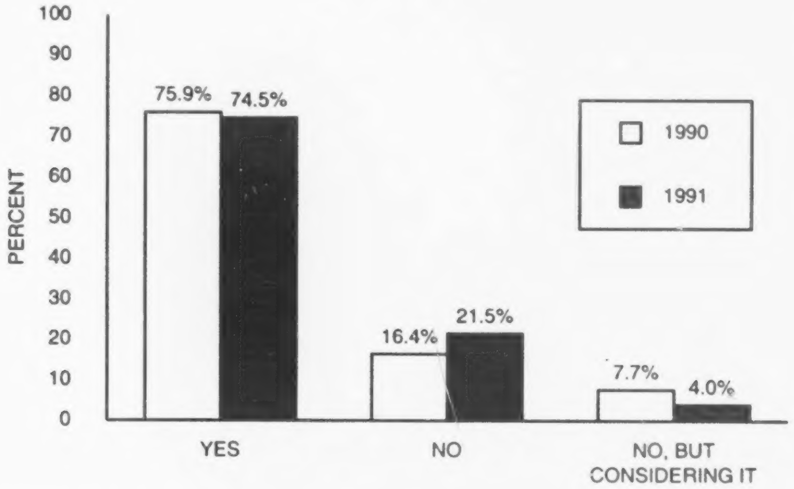
Source: Catalog Age, The CATALOG AGE Report, 1991.

NUMBER OF CATALOGS SENT TO A LEAD BEFORE CATALOGERS STOP MAILING



Source: Catalog Age, The CATALOG AGE Report, 1991.

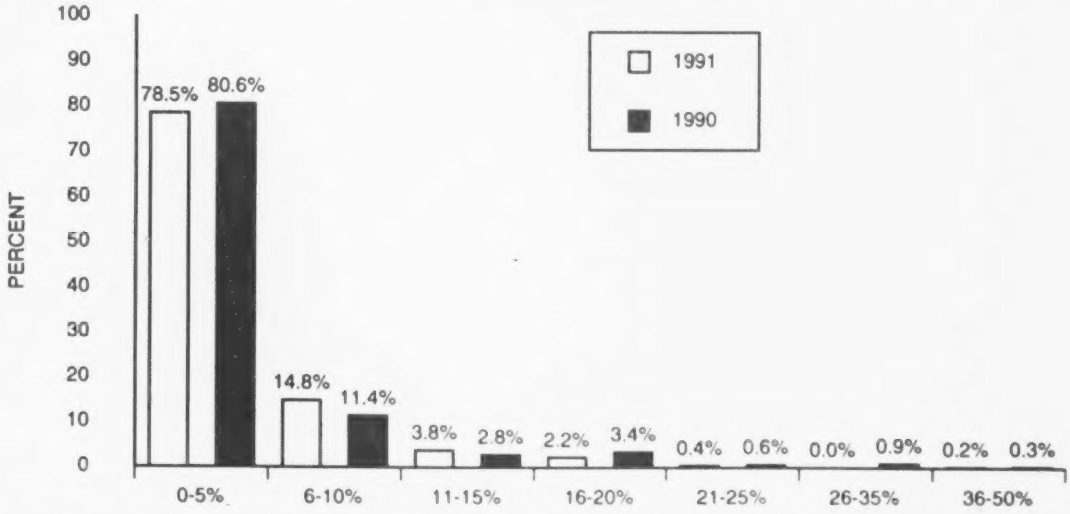
CATALOGERS WHO OFFER OVERNIGHT SHIPPING



Source: Catalog Age, The CATALOG AGE Report, 1991

PERCENTAGE OF SHIPMENTS RETURNED

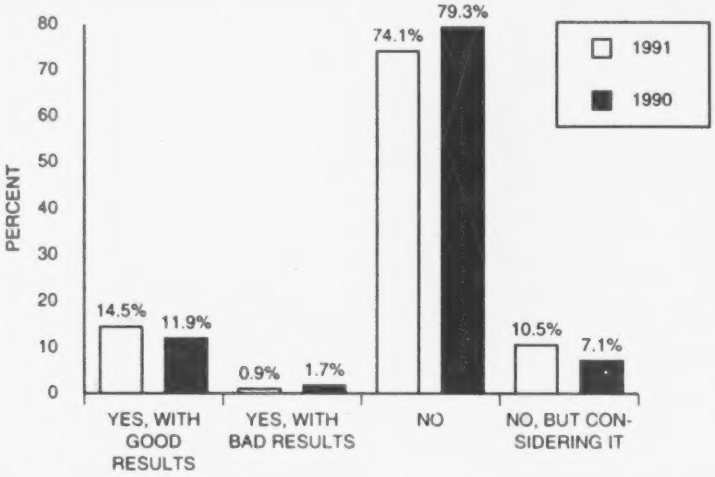
Most catalogers represented in the survey report that less than 5% of all their shipments are returned.



Source: Catalog Age, The CATALOG AGE Report, 1991

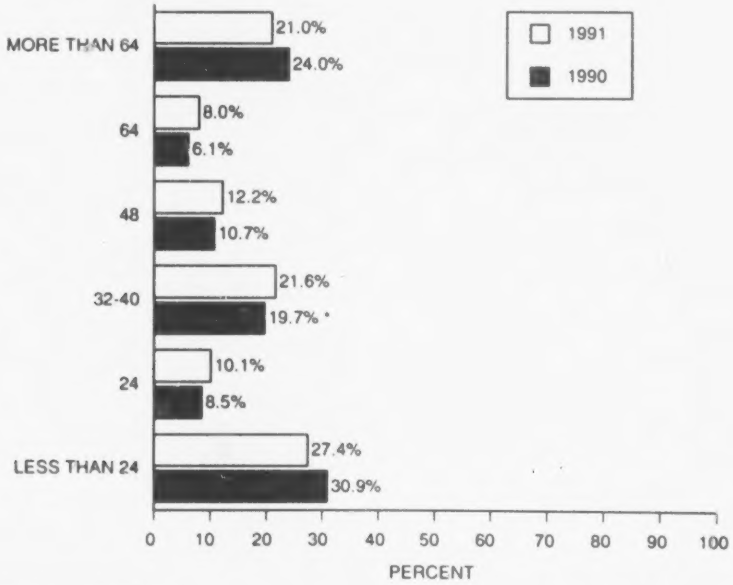
PERCENT OF CATALOGERS WHO HAVE TRIED SOME FORM OF SELECTIVE BINDING

The proportion of respondents using selective binding with good results, or those considering usage, are both on the rise from 1990.



Source: Catalog Age, The CATALOG AGE Report, 1991

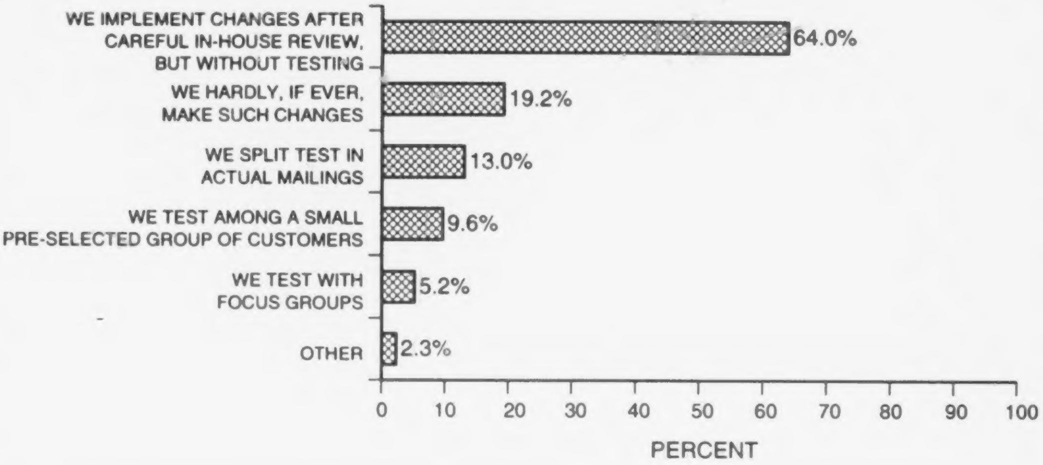
NUMBER OF PAGES IN PRIMARY CATALOG



* In 1990, this category read "32–36."

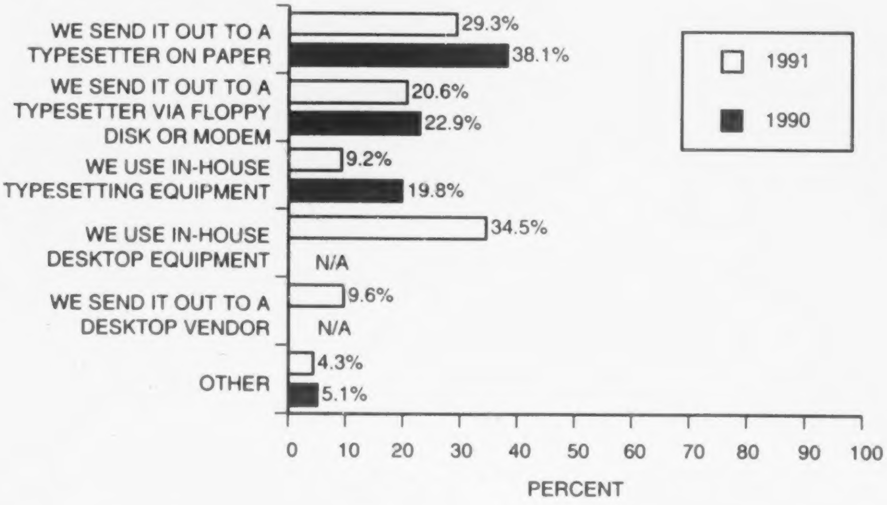
Source: Catalog Age, The CATALOG AGE Report, 1991

STATEMENT BEST DESCRIBING HOW CATALOGERS EVALUATE SIGNIFICANT CREATIVE CHANGES



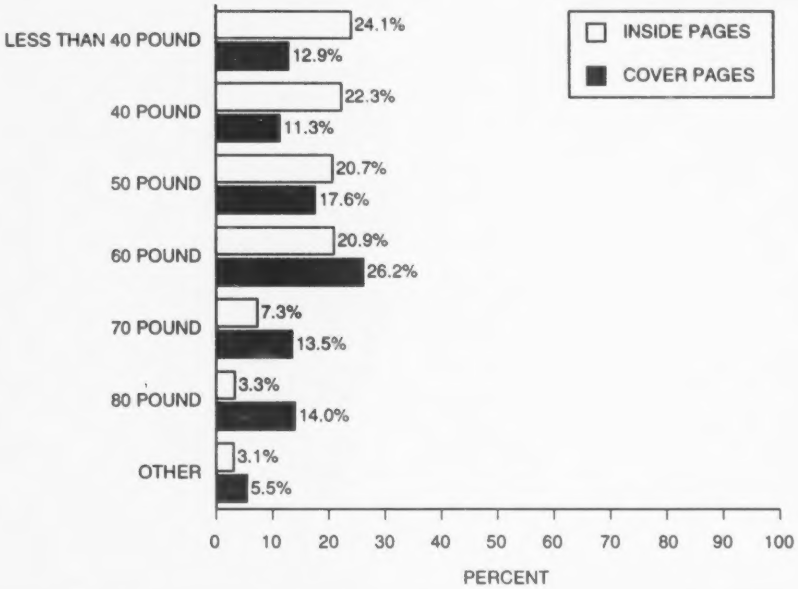
Source: Catalog Age, The CATALOG AGE Report, 1991

HOW CATALOGERS HAVE COPY TYPESET



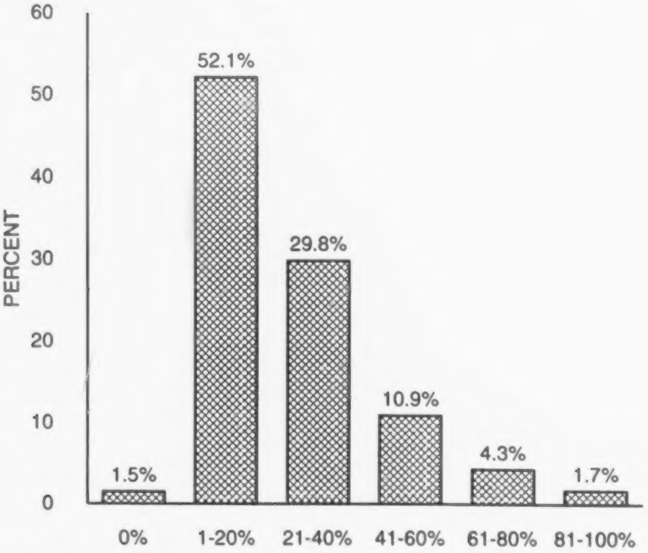
Source: Catalog Age, The CATALOG AGE Report, 1991

WEIGHT PAPER TYPICALLY USED FOR THE INSIDE PAGES AND COVER OF CATALOG



Source: Catalog Age, The CATALOG AGE Report, 1991.

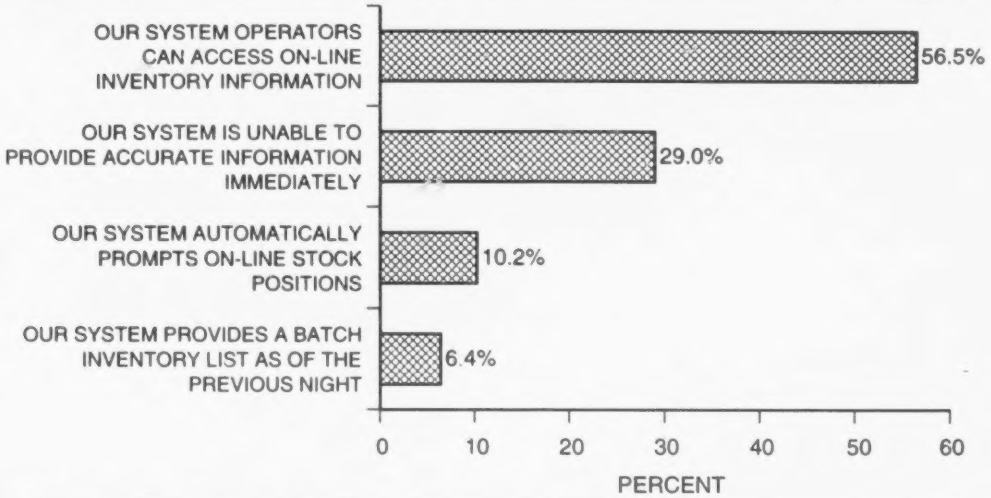
PERCENTAGE OF TOTAL NUMBER OF CATALOG PRODUCTS THAT REPRESENTS NEW ITEMS



Source: Catalog Age, The CATALOG AGE Report, 1991.

HOW CATALOGERS ANSWER CUSTOMER INQUIRIES ABOUT ITEM AVAILABILITY

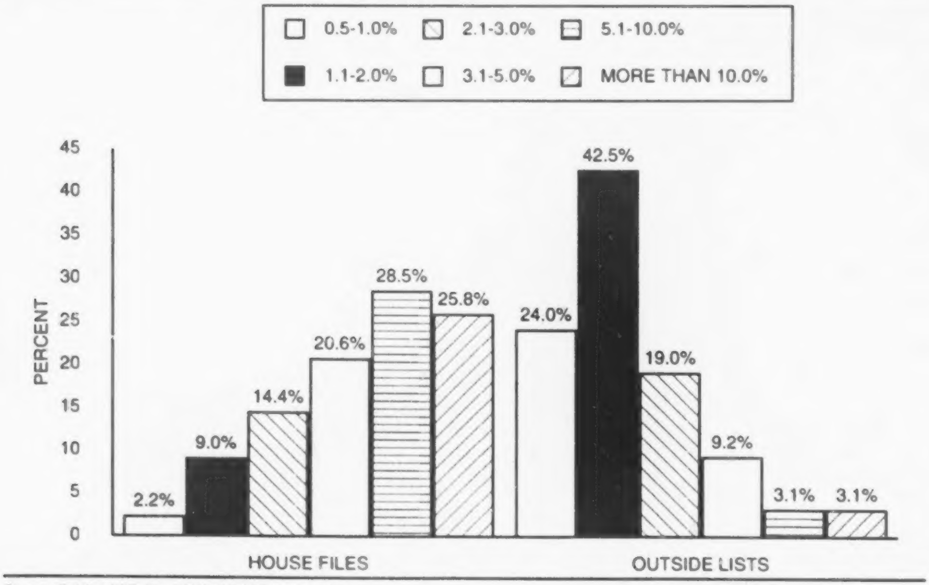
More than half, (56.5%) of respondents indicate that their system operators can access on-line inventory information.



Source: Catalog AGE, The CATALOG AGE Report, 1991

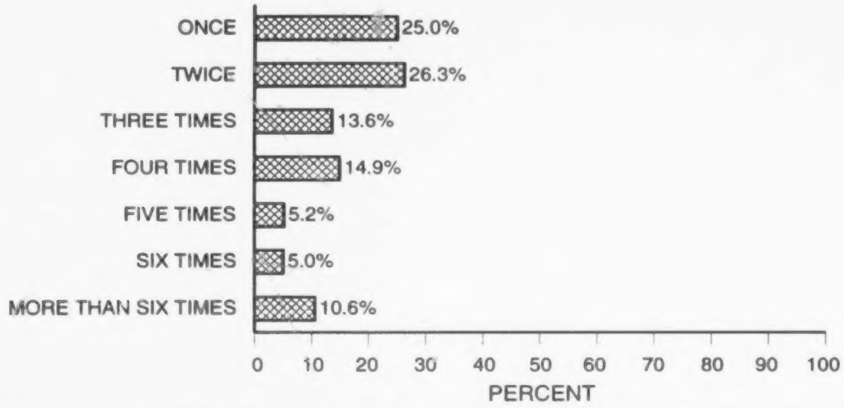
AVERAGE RESPONSE RATES FROM HOUSE FILES AND/OR OUTSIDE LISTS

Responses tend to be much higher from already existing customers on catalogers house files.



Source: Catalog AGE, The CATALOG AGE Report, 1991

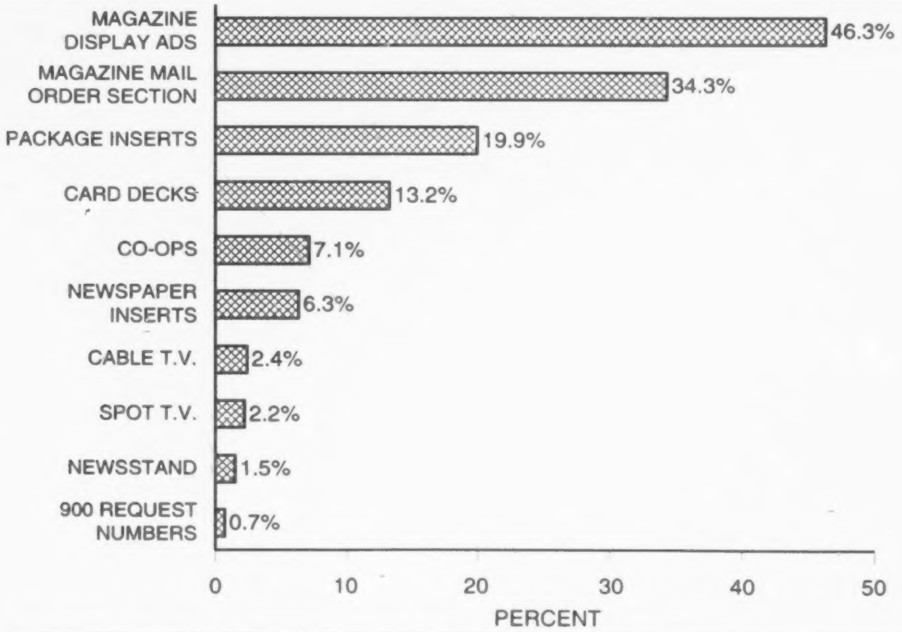
NUMBER OF TIMES A YEAR CATALOGERS MAIL THEIR PRIMARY CATALOG



Source: Catalog AGE, The CATALOG AGE Report, 1991.

SUCCESS CATALOGERS HAVE HAD WITH EACH OF THE FOLLOWING AS SOURCES OF NEW NAMES

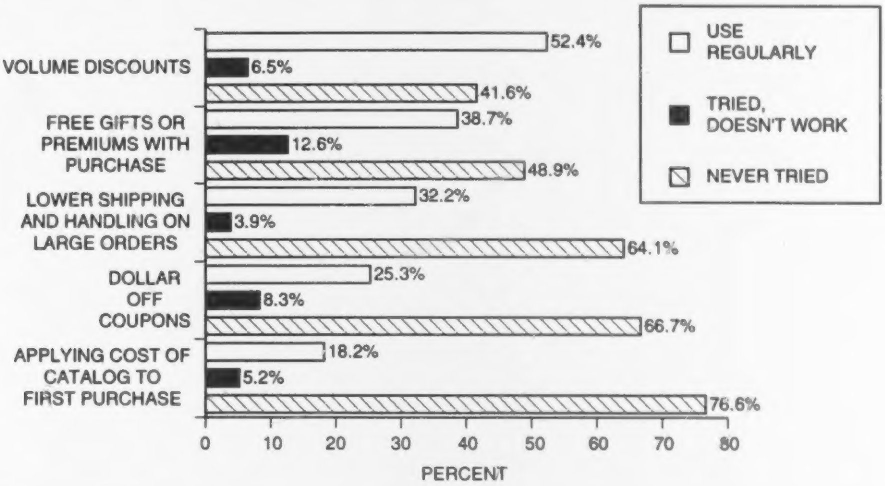
Catalogers were asked to rate the success of 10 mediums as sources of new names. The percentages below represent the total number of respondents rating each medium "very good/good." Magazine display ads have exhibited the greatest success as a source for new names, according to respondents.



Source: Catalog AGE, The CATALOG AGE Report, 1991

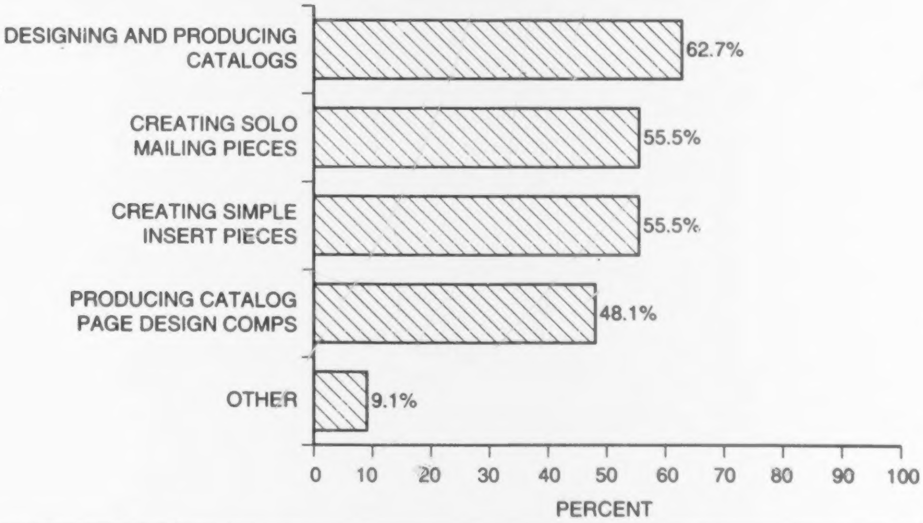
TOP FIVE INCENTIVES CURRENTLY USED BY CATALOGERS OR TRIED IN THE PAST

Volume discounts was the most frequent incentive regularly used by more than half (52.4%) of respondents.



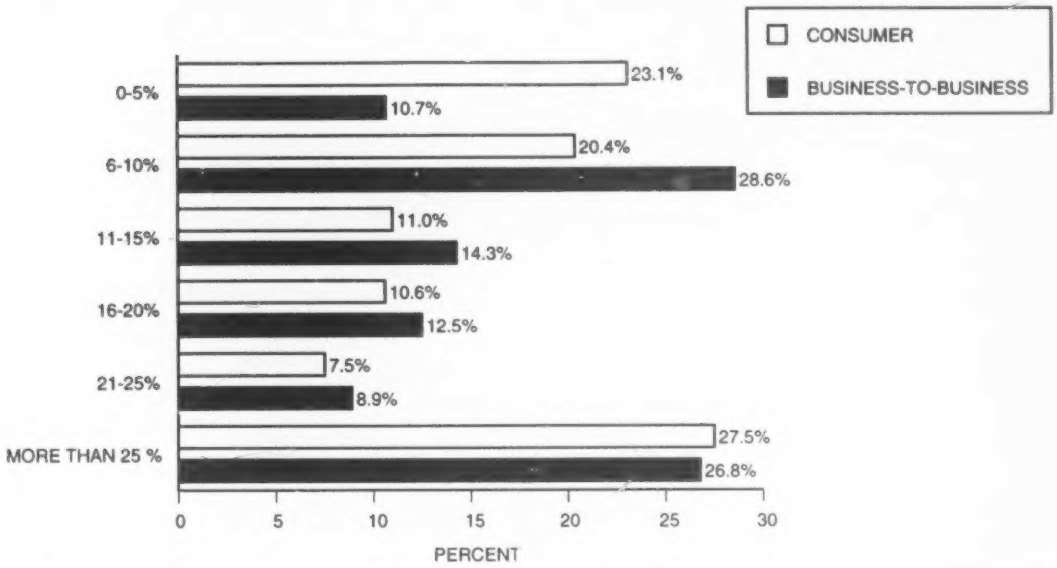
Source: Catalog Age, The CATALOG AGE Report, 1991.

APPLICATIONS FOR WHICH DESKTOP PUBLISHING IS BEING USED



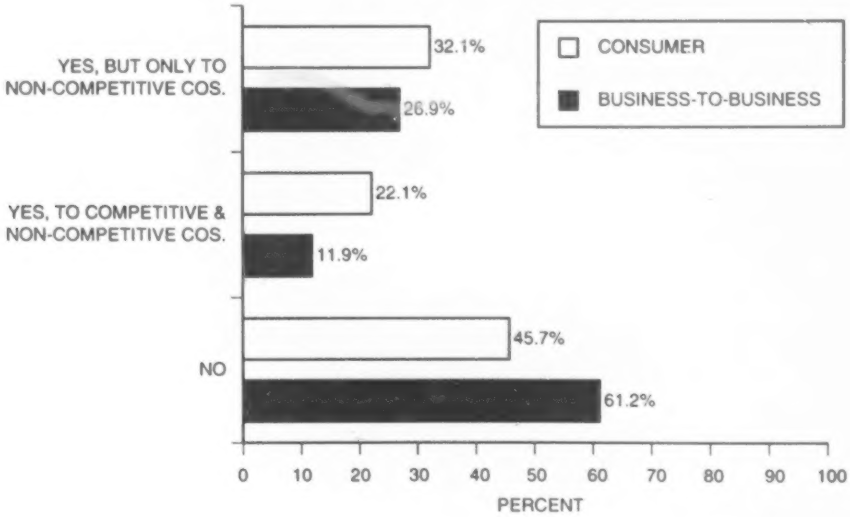
Source: Catalog Age, The CATALOG AGE Report, 1991.

PERCENT OF NEW BUYERS THAT ARE CATALOG REQUESTERS



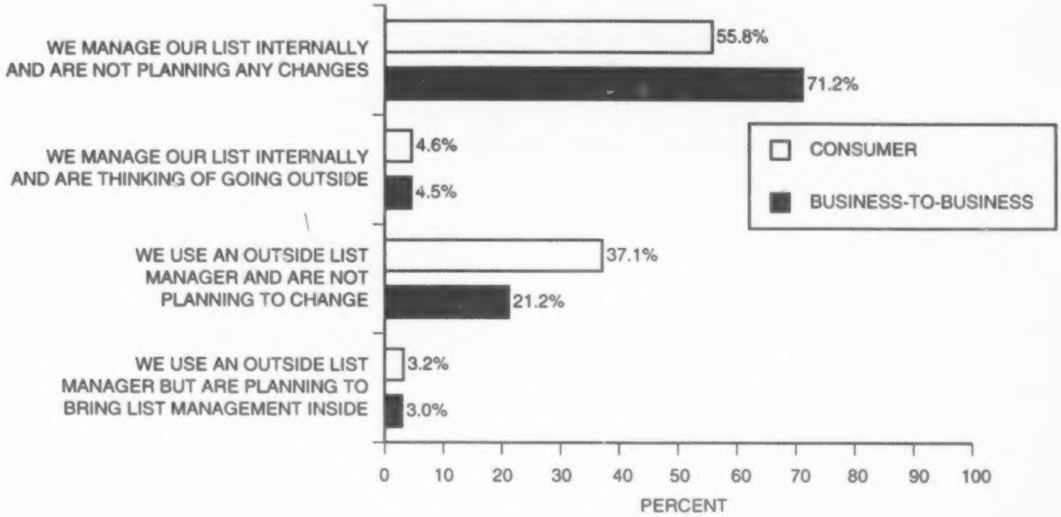
Source: Catalog Age, The CATALOG AGE Report, 1991.

CATALOGS: HOUSE LISTS RENTAL PRACTICES



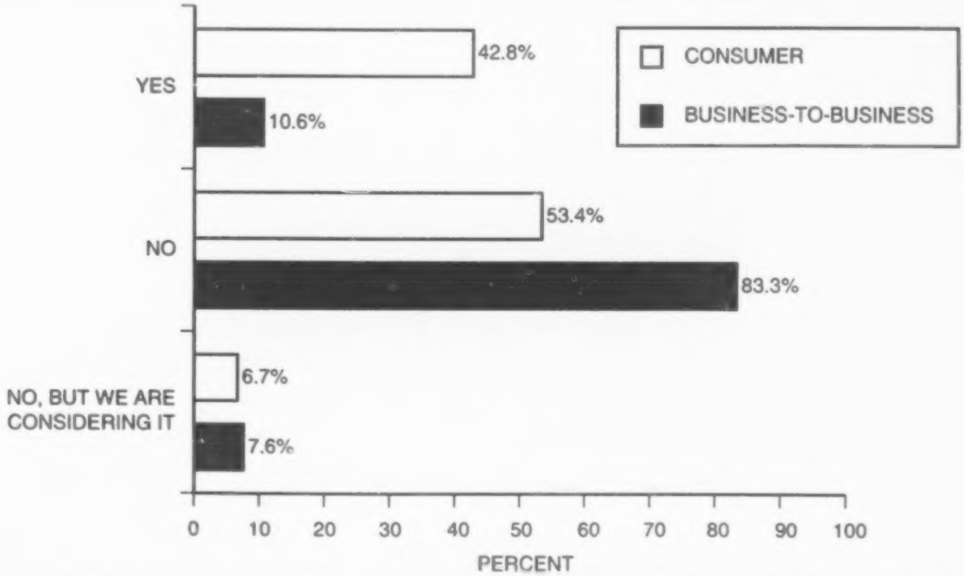
Source: Catalog Age, The CATALOG AGE Report, 1991

HOW CATALOG LISTS ARE MANAGED



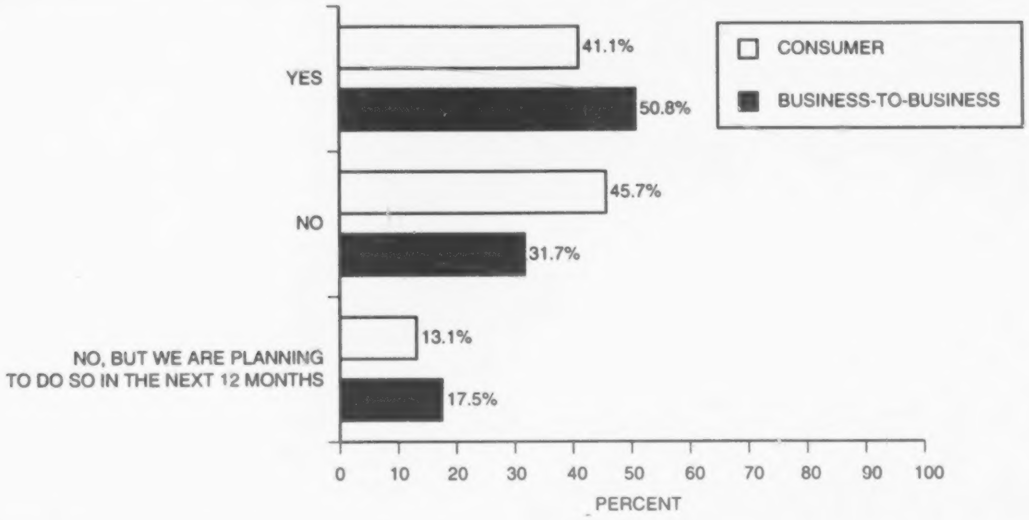
Source: Catalog Age, The CATALOG AGE Report, 1991.

CATALOGERS CHARGING FOR CATALOGS WHEN ADVERTISING FOR LEADS



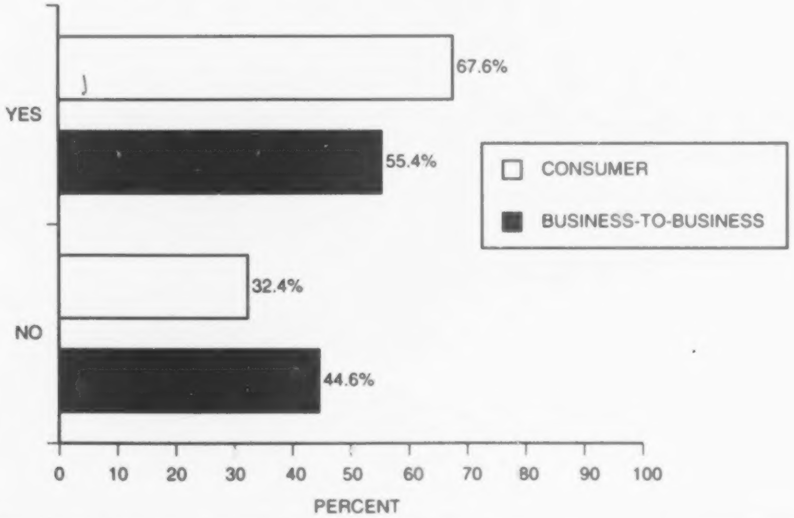
Source: Catalog Age, The CATALOG AGE Report, 1991.

USE OF IN-HOUSE COMPUTER-BASED PAGE-MAKEUP PROGRAMS
(FOR DESIGN, TYPESETTING AND LAYOUT)



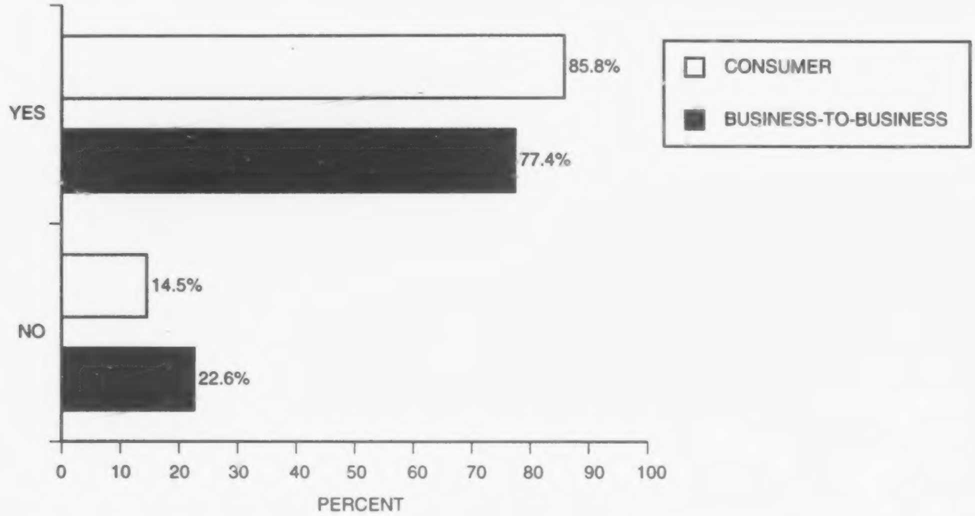
Source: Catalog Age, The CATALOG AGE Report, 1991.

CATALOGERS' USE OF ALTERNATE MEDIA
(PRINT, PACKAGE INSERTS, NEWSSTAND SALES, TV, ETC.)



Source: Catalog Age, The CATALOG AGE Report, 1991.

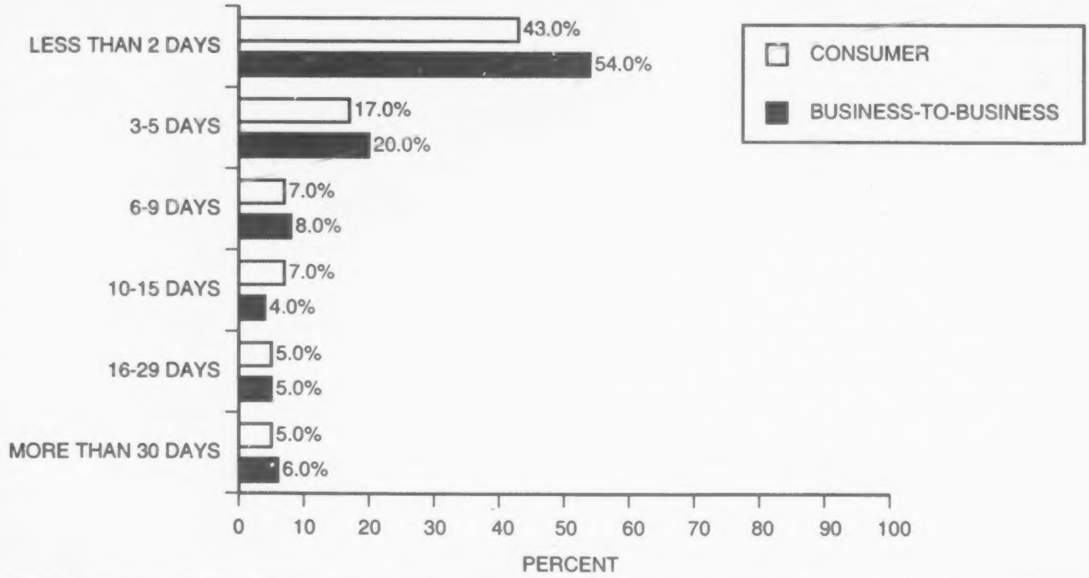
CATALOGS WITH UNCONDITIONAL GUARANTEES



Source: Catalog Age, The CATALOG AGE Report, 1991.

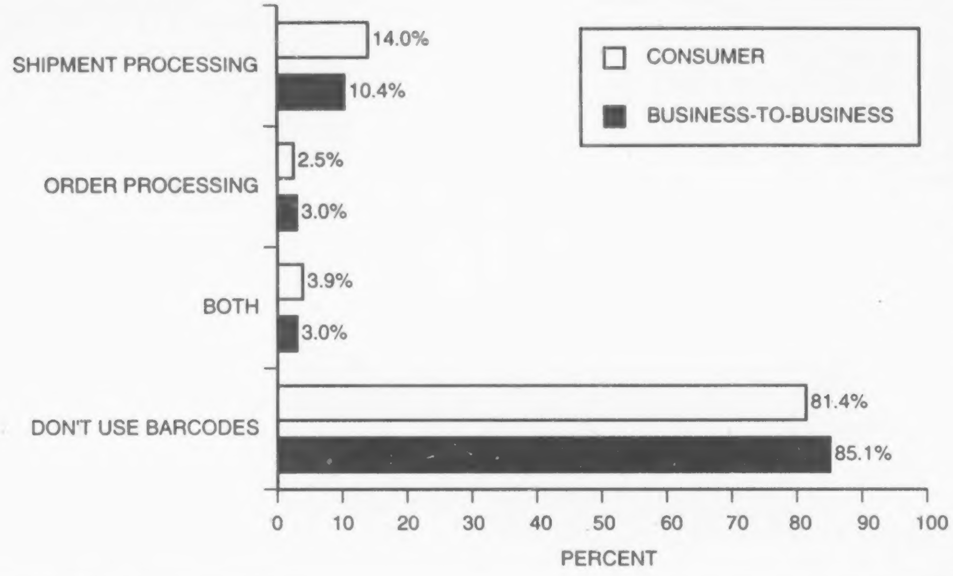
CATALOG ORDER FULFILLMENT TIMEFRAMES

(PERCENT OF ORDERS SHIPPED BETWEEN LESS THAN 2 DAYS TO MORE THAN 30 DAYS)



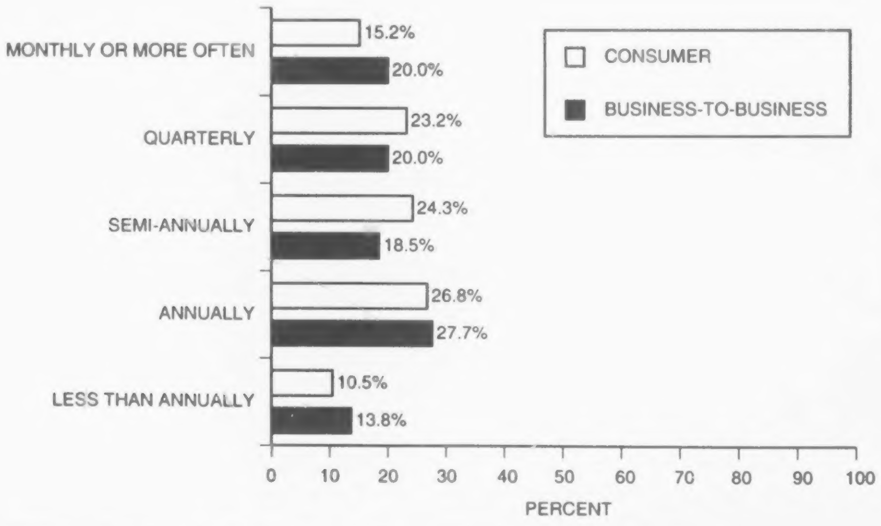
Source: Catalog Age, The CATALOG AGE Report, 1991.

USE OF BARCODES



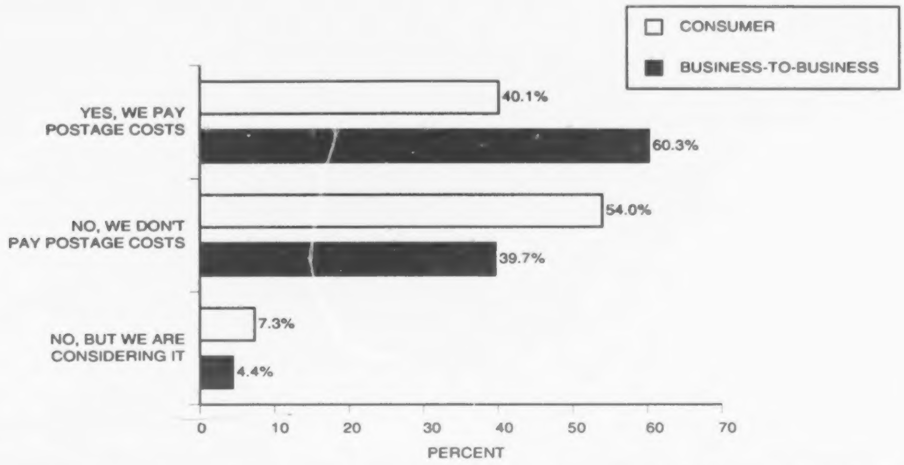
Source: Catalog Age, The CATALOG AGE Report, 1991.

HOW OFTEN HOUSE FILE IS CLEANED



Source: Catalog Age, The CATALOG AGE Report, 1991.

POSTAGE COSTS FOR RETURNED MERCHANDISE

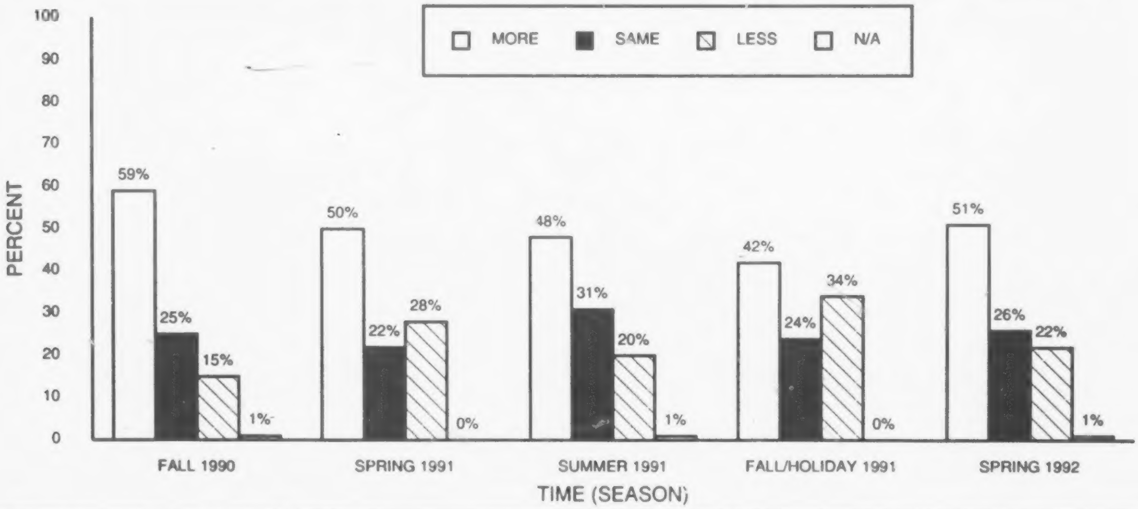


Source: Catalog Age, The CATALOG AGE Report, 1991.

The Catalog Industry Trends Study is conducted three times per year by the DMA Research Department. It is designed to document trends within the catalog industry on a seasonal basis. The most recent survey was mailed in April, 1992 to 463 DMA Catalog members. A 17.5% response rate was achieved.

NUMBER OF CATALOGS MAILED THIS YEAR VERSUS ONE YEAR AGO

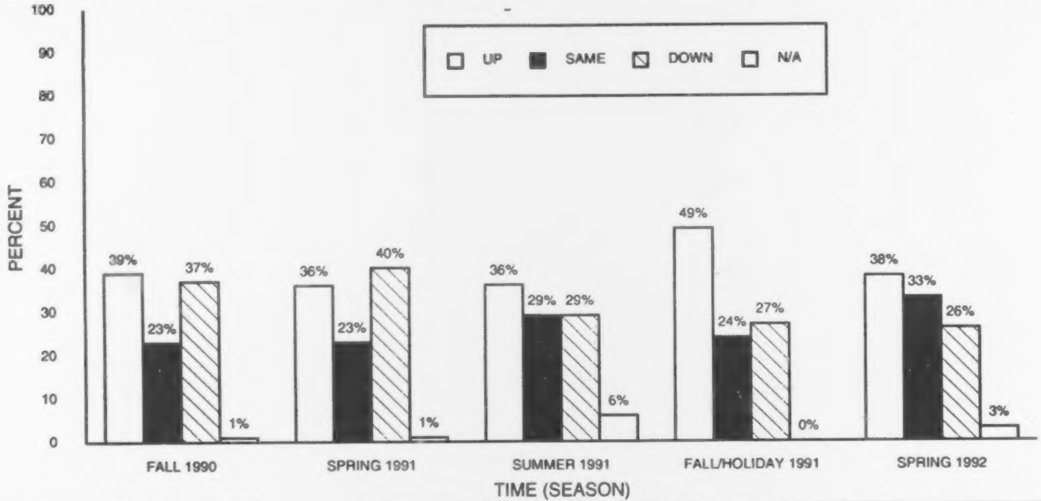
Reversing a downward trend since the fall/holiday 1990 seasons, more catalogers have reported an increase in the number of catalogs mailed (51%) for the spring 1992 season.



Source: DMA Research Department, Catalog Industry Trend Survey, 1992.

RESPONSE RATES THIS YEAR VERSUS ONE YEAR AGO

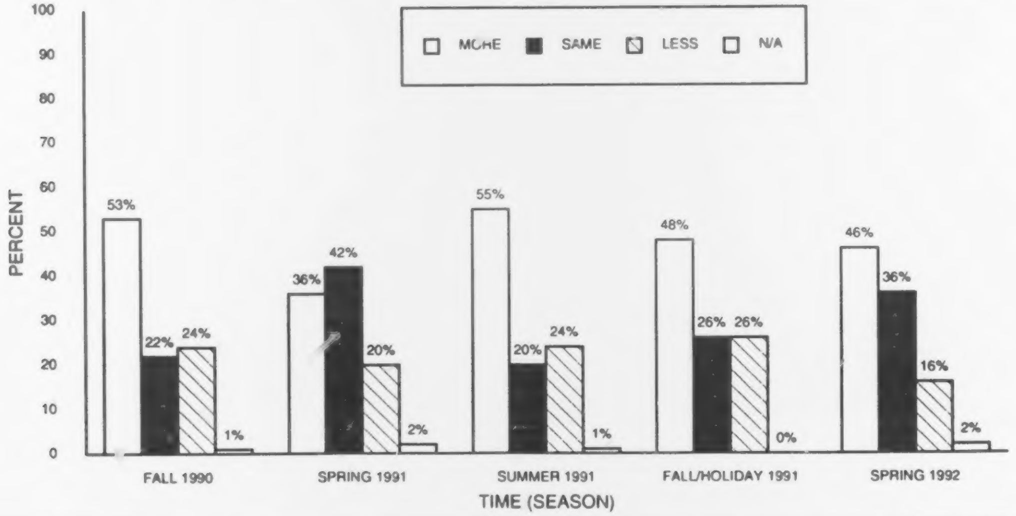
The percentage of respondents citing an increase in response rates decreased in spring 1992, while more respondents reported no change in response rates.



Source: DMA Research Department, Catalog Industry Trend Survey, 1992.

NEXT SEASON'S PLANS TO MAIL

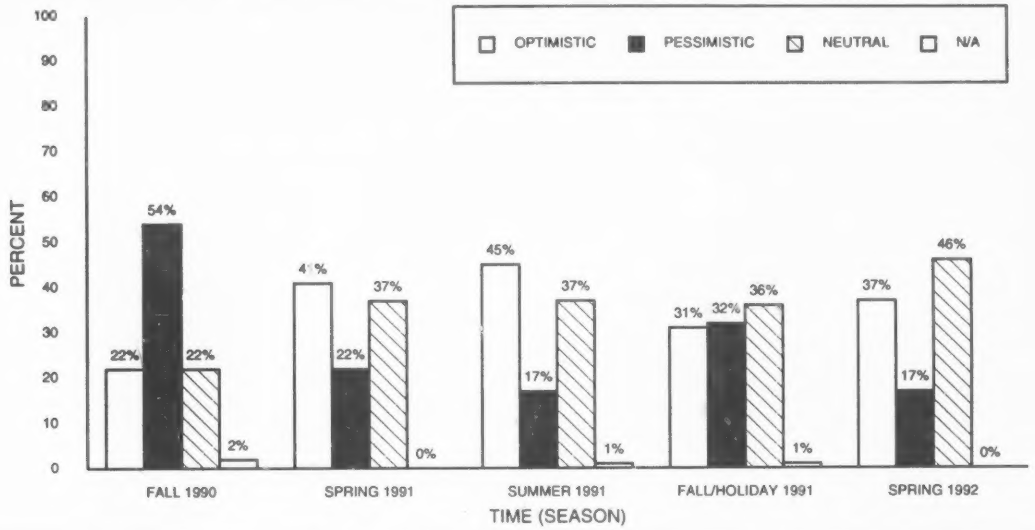
Respondents continue to indicate a trend of mailing less, which echoes the industry's goal to mail "smarter" by targeting better.



Source: DMA Research Department, Catalog Industry Trend Survey, 1992

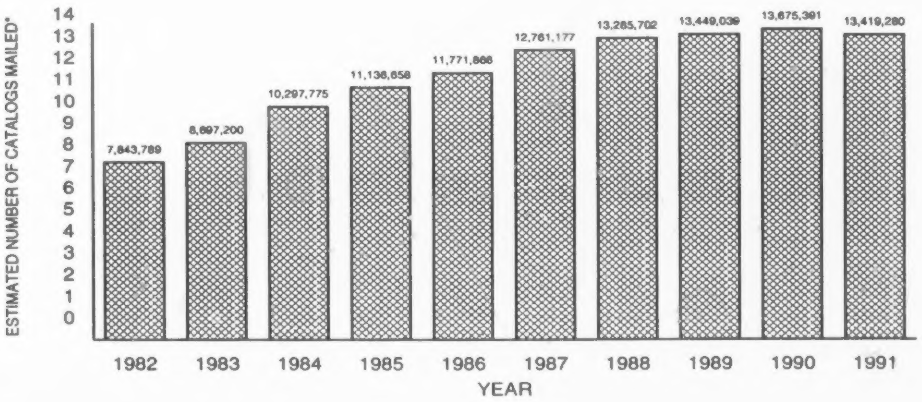
NEXT SEASON'S OUTLOOK

Nearly half (46%) of respondents indicate feeling neutral toward the summer 1992 season. There has been a significant decline in the numbers of catalogers feeling pessimistic about the coming season.



Source: DMA Research Department, Catalog Industry Trend Survey, 1992.

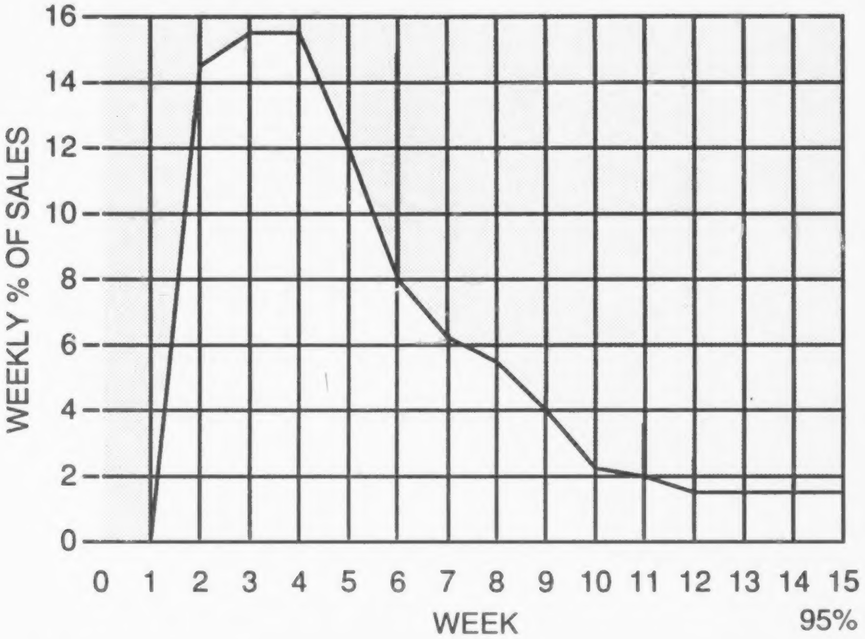
CATALOGS MAILED PER YEAR: 1982–1991
(DATA IN THOUSANDS)



*These figures are extrapolated from the USPS Revenue, Pieces and Weight by Classes of Mail Report based on the following assumptions that have been agreed upon by both the USPS and DMA and further substantiated by the findings of the USPS Household Diary Study:
- 21% of all third-class mail is catalogs (including non-profit mail)
- 85% of all fourth-class bound printed matter is catalogs

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail Report for Fiscal Year 1991

TYPICAL CATALOG RESPONSE CURVE

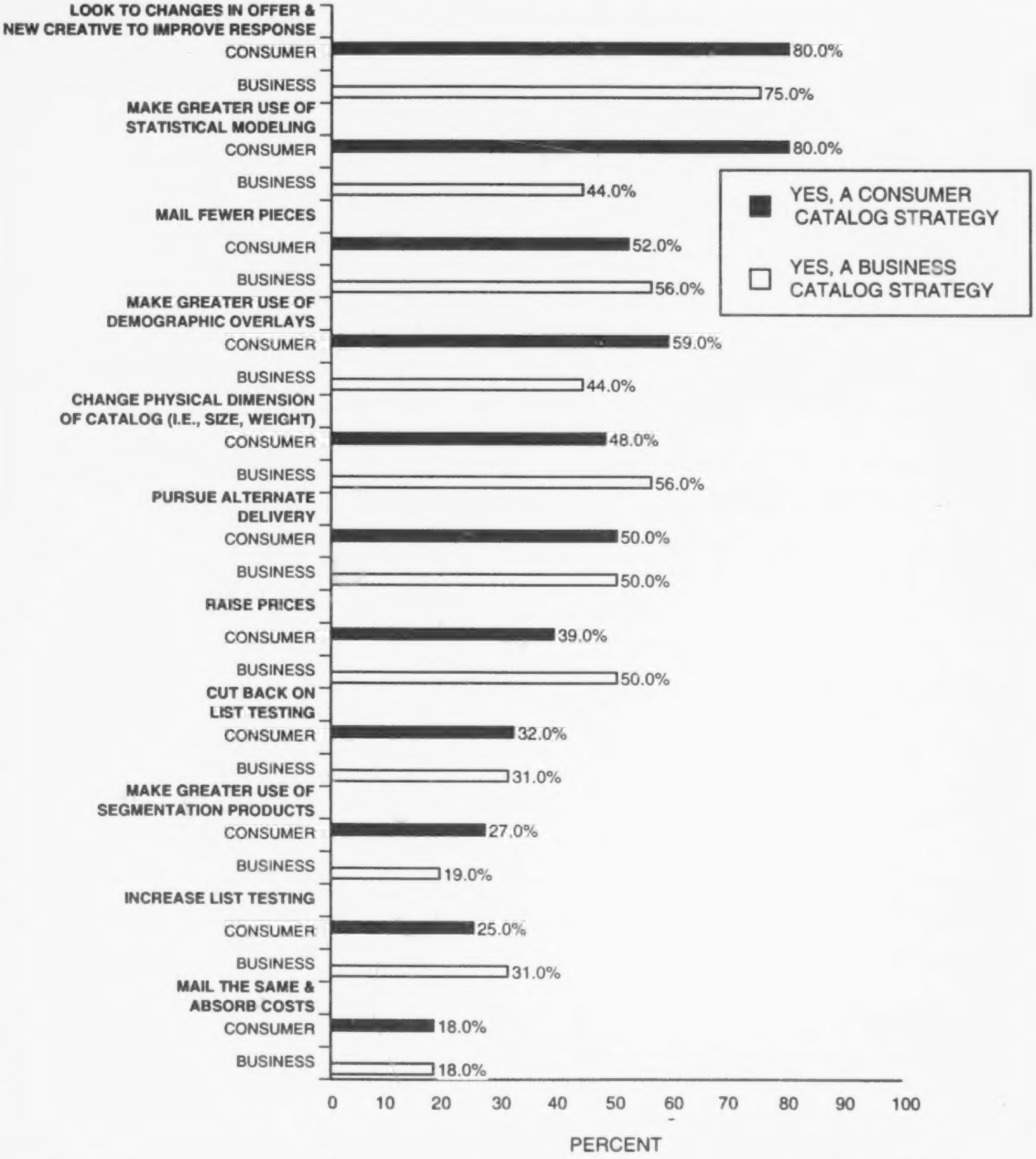


Developing response curves, which indicate the percent of sales for each week of the catalog response period, can be an effective way to gauge how much inventory is required for any given product. Often, the first week's response can give a reliable indication of final sales, especially for hot-selling items that will need to be reordered immediately.

Source: Fenvessy Consulting.

CATALOG STRATEGIES TO IMPROVE RESULTS AND OFFSET INCREASED POSTAGE

(CONSUMER AND BUSINESS CATALOGS)



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

NUMBER OF CATALOG AND MAIL ORDER HOUSES BY STATE

The U. S. Bureau of Census defines catalog and mail order houses as establishments primarily engaged in the retail sale of products by television, catalog, and mail-order. These establishments do not ordinarily maintain stock for sale on the premises. Separate stores operated by catalog and mail order houses for the retail sale of products on the premises are classified according to the product sold. This category (SIC 5961) includes:

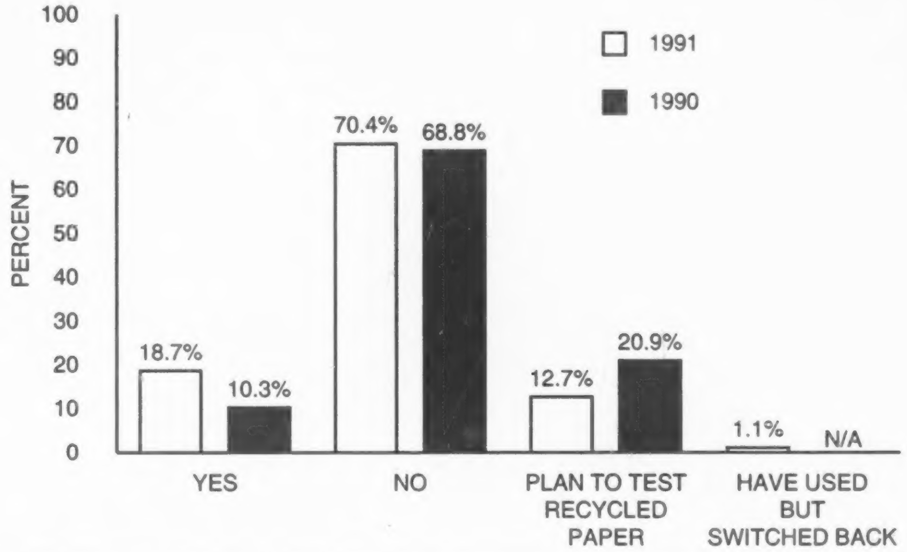
Book clubs, not publishing
Books, mail-order–retail
Catalog (order taking) offices of mail-order houses–retail
Cheese, mail-order–retail
Coins, mail-order–retail
Computer and peripheral equipment, mail-order–retail
Computer software, mail-order–retail
Food, mail-order–retail
Fruit, mail-order–retail
Jewelry, mail-order–retail
Magazines, mail-order–retail
Mail-order houses–retail (not including retail outlets)
Novelty merchandise, mail-order–retail
Order taking offices of mail-order houses–retail
Record clubs, mail-order–retail
Stamps, mail-order–retail
Television, mail-order (home shopping)–retail

Geographic Area	#Establishments	Receipts ($1,000)
United States	**7 227**	**20 346 643**
Alabama	97	96 491
Alaska	20	22 106
Arizona	113	258 349
Arkansas	94	(D)
California	813	1 554 424
Colorado	90	162 727
Connecticut	113	604 952
Delaware	15	24 064
District of Columbia	18	18 405
Florida	311	1 018 262
Georgia	203	336 780
Hawaii	8	9 263
Idaho	32	17 033
Illinois	318	2 026 808
Indiana	123	1 047 602
Iowa	97	73 200
Kansas	105	107 615
Kentucky	104	99 251
Louisiana	111	70 842
Maine	53	(D)
Maryland	129	157 620
Massachusetts	194	616 082
Michigan	185	279 620
Minnesota	176	1 201 010
Mississippi	77	49 580
Missouri	177	400 070
Montana	36	20 120
Nebraska	53	158 840
Nevada	48	102 339
New Hampshire	77	225 323
New Jersey	222	855 356
New Mexico	39	51 179
New York	623	2 127 171
North Carolina	201	291 113
North Dakota	24	19 648
Ohio	240	631 010
Oklahoma	81	56 185
Oregon	136	319 837
Pennsylvania	341	1 830 487
Rhode Island	18	75 398
South Carolina	68	85 851
South Dakota	28	65 805
Tennessee	158	144 238
Texas	382	607 401
Utah	49	45 163
Vermont	43	96 702
Virginia	186	504 969
Washington	146	194 106
West Virginia	52	41 478
Wisconsin	174	928 522
Wyoming	26	31 775

NOTE: (D) denotes figures withheld to avoid disclosure of operations of individual establishments

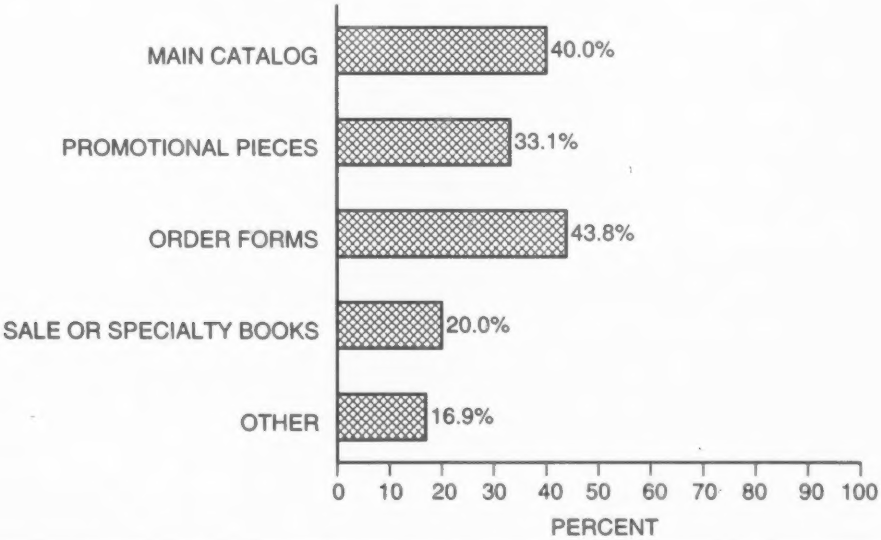
Source: U.S. Bureau of Census, 1987 Census of Business (figures released in June 1990)

WHETHER CATALOGERS USE RECYCLED PAPER



Source: Catalog Age, The CATALOG AGE Report, 1991.

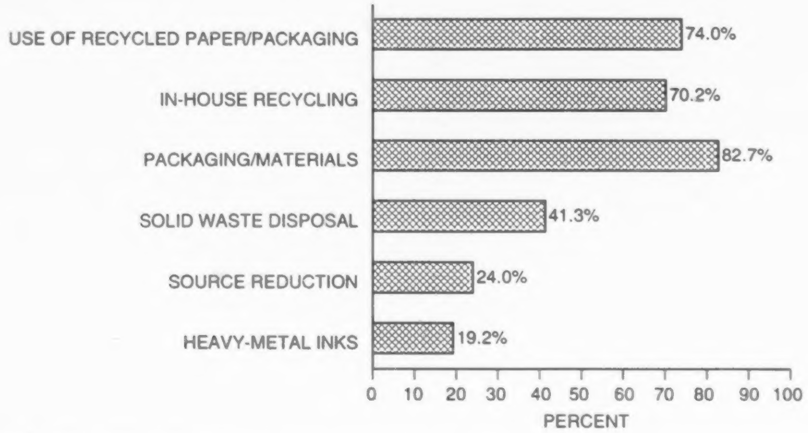
APPLICATIONS NOW USED FOR RECYCLED PAPER



Source: Catalog Age, The CATALOG AGE Report, 1991.

In March, 1990, the Direct Marketing Association formed an industry Task Force on Environmental Issues in order to identify ways in which direct marketers can support environmentally-sound practices. The following charts are taken from a study that was designed to determine DMA voting members' awareness of environmental questions as they relate to their business. In May, 1990, a questionnaire was sent to 2,881 DMA voting members. A 20.6% response rate was achieved.

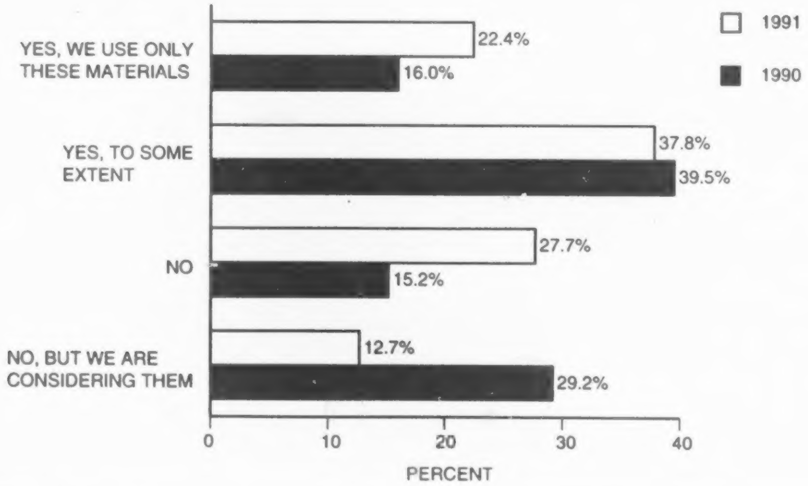
ENVIRONMENTAL ISSUES RELATING DIRECTLY TO CONSUMER CATALOGERS' BUSINESS



Source: DMA Environmental Task Force/DMA Research Department, 1990.

PERCENTAGE OF CATALOGERS USING BIODEGRADABLE PACKING MATERIAL

The proportion of respondents indicating only using biodegradable packing material has increased from 1990 to 1991.



Source: Catalog Age, The CATALOG AGE Report, 1991

• TELEPHONE

CONSUMER ATTITUDES

BUYING HABITS

COSTS

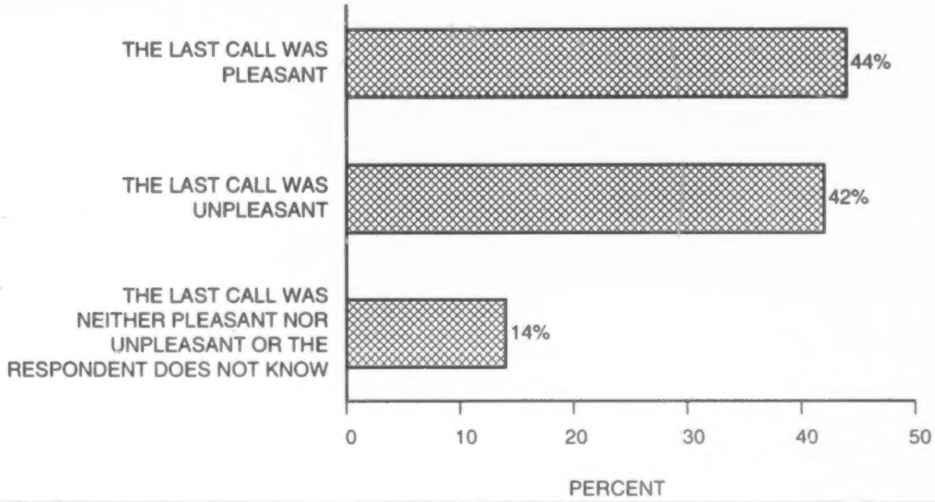
TRENDS

PROJECTIONS

Survey Sampling, Inc. conducted this study with Walker Research, Inc. to gain a better understanding of how consumers regard the telemarketing industry. From July 9 through July 24, 1990, a survey of 202 telephone interviews were conducted among a nationally representative sample of male and female heads of households.

CONSUMER'S OVERALL IMPRESSION OF LAST TELEMARKETING CALL RECEIVED

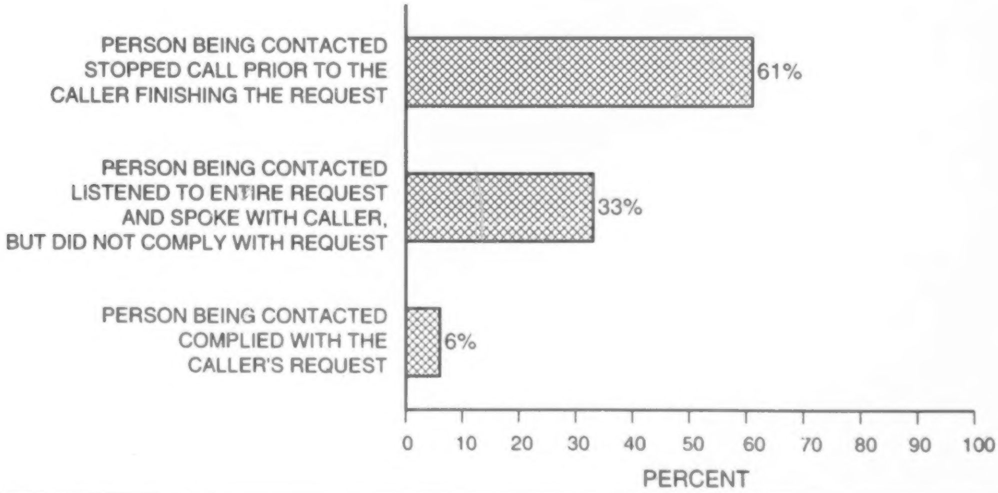
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR
(142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S REPORTED DISPOSITION OF TELEMARKETING CALL

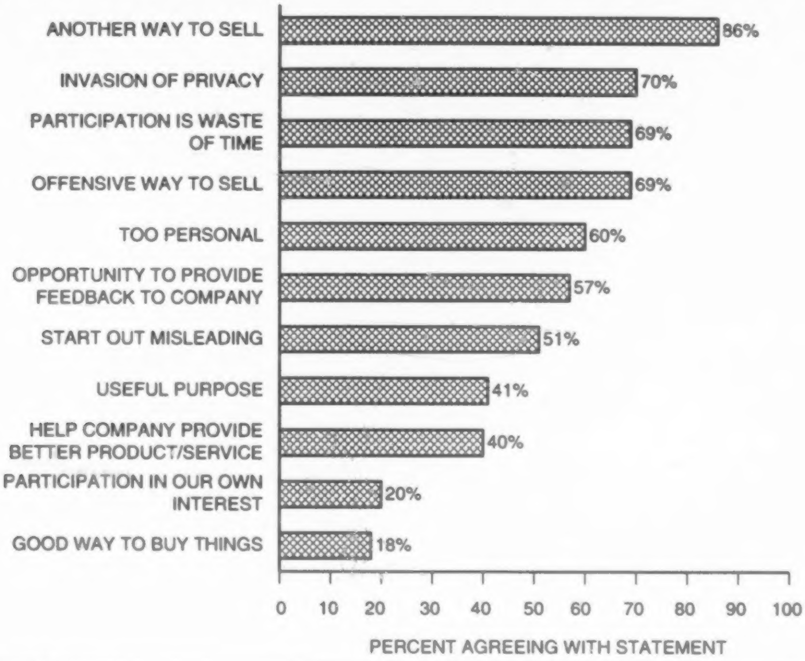
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR
(142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S STATEMENTS REGARDING TELEMARKETING CALLS

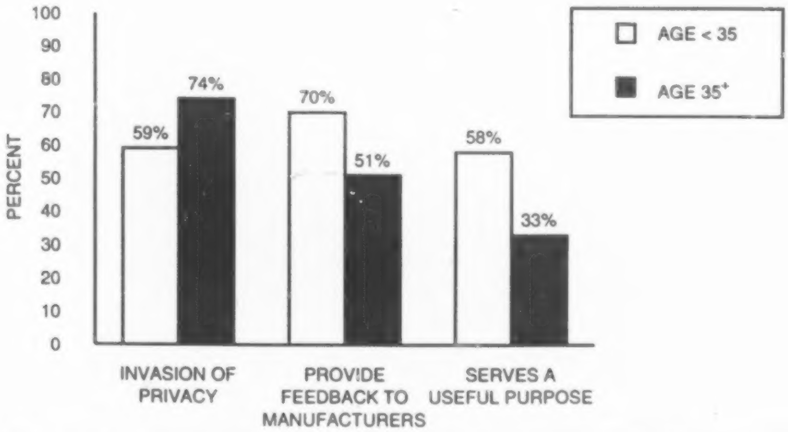
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (166 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S STATEMENTS REGARDING TELEMARKETING CALLS BY AGE OF RESPONDENT

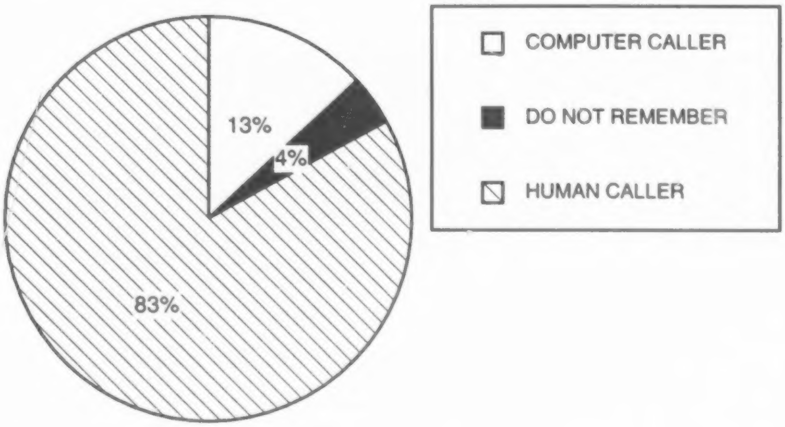
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (166 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

TYPE OF CALLER ON LAST TELEMARKETING CALL RECEIVED

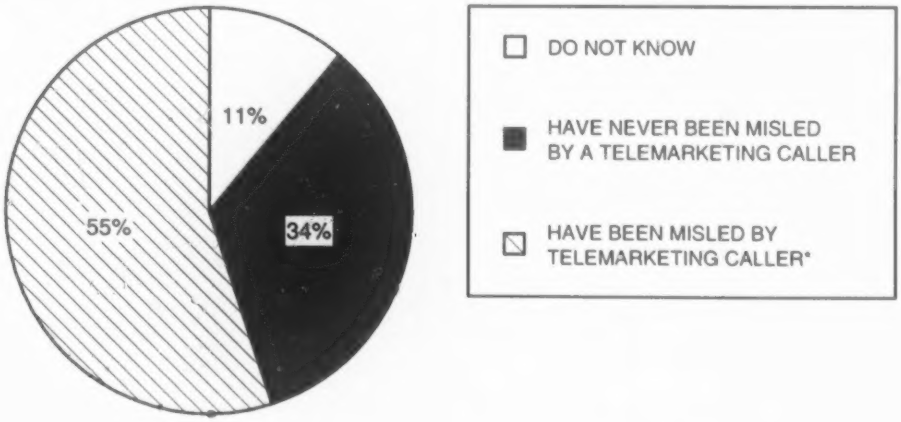
OF THOSE WHO HAVE RECEIVED A TELEMARKETING CALL IN THE PAST YEAR
(142 RESPONDENTS)



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S ATTITUDES ABOUT EVER HAVING BEEN MISLEAD BY TELEMARKETER

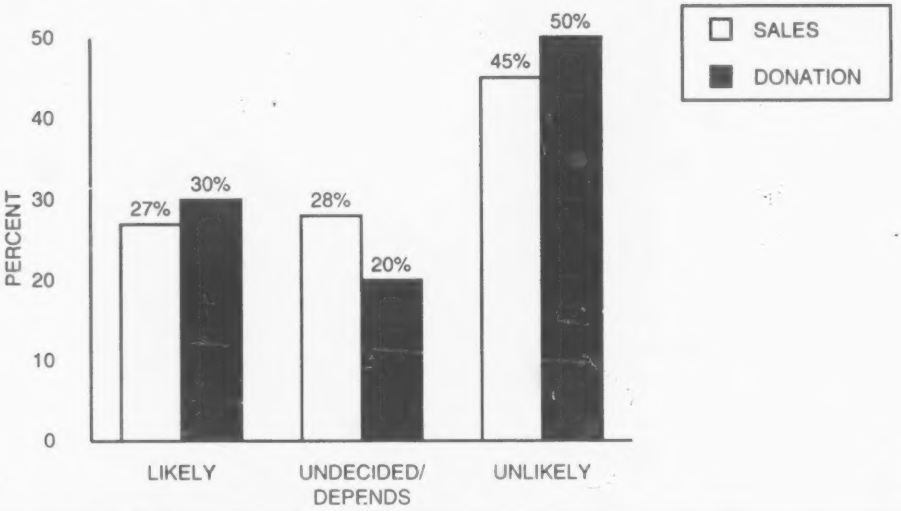
OF THOSE WHO HAVE EVER RECEIVED A TELEMARKETING CALL (142 RESPONDENTS)



*Most frequently mentioned misleading tactics are "Won Prize" and "Survey Disguise"

Source: Walker Research/Survey Sampling, 1991

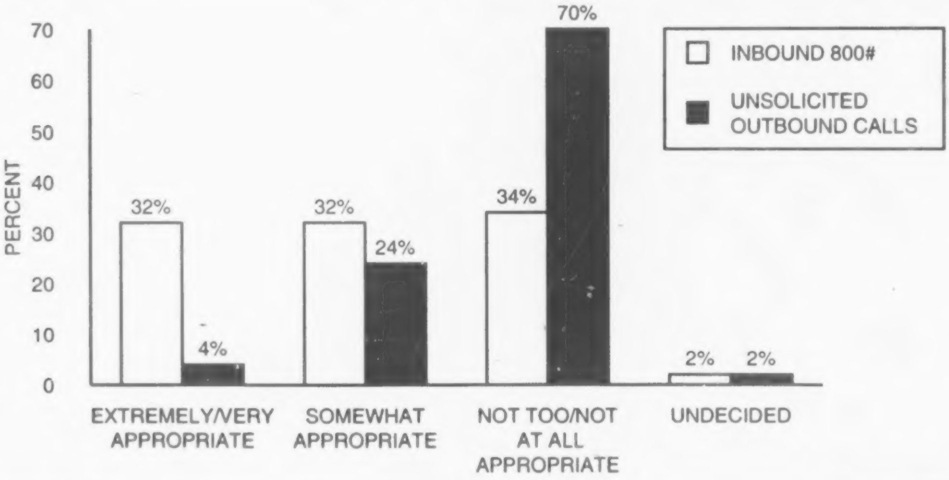
CONSUMER'S LIKELIHOOD OF RETURNING CALL LEFT ON ANSWERING MACHINE



Source: Walker Research/Survey Sampling, 1991.

CONSUMER'S PERCEPTIONS OF INBOUND 800 NUMBERS VS. OUTBOUND TELEMARKETING CALLS

A nationwide study was conducted for MATRIXX Marketing in December, 1990 to gauge consumer's attitudes about telemarketing. The sample size was 400 adults aged 18 to over 65, enabling projection to the entire U.S. adult population at a 95% confidence level with a ± 4.9% sampling error. The results below indicate respondents' ratings of TV, print, radio or direct mail ads that prompt consumers to call a toll-free number answered by a sales representative vs. unsolicited calls made to consumers.



Source: Matrixx Marketing, Inc., 1991

TOTAL POPULATION ORDERING BY TELEPHONE BY DEMOGRAPHIC CATEGORY

The Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990 and 182,456,000 in 1991.

	1990 Total U.S. (000)	1990 Total U.S. Buyers (000)	% Any Product	1991 Total U.S. (000)	1991 Total U.S. Buyers (000)	% Any Product	% Change from 1990 to 1991 Total Buyers	Total Change in Buyers by Phone 1990—1991 (000)
TOTAL ADULTS	181,131	62,325	34.4	182,456	60,162	33.0	-3.5%	-2,163
MALES	86,476	25,477	29.5	87,118	25,101	28.8	-1.5%	-376
FEMALES	94,655	36,848	38.9	95,338	35,060	36.8	-4.9%	-1,788
18—24	25,507	7,244	28.4	25,530	6,334	24.8	-12.6%	-910
25—34	43,858	16,831	38.4	44,118	15,311	34.7	-9.0%	-1,520
35—44	36,206	15,223	42.0	37,521	15,229	40.6	*	+6
45—54	24,795	9,037	36.4	25,346	9,517	37.5	+5.3%	+480
55—64	21,496	6,808	31.7	21,009	7,820	37.2	+14.9%	+1,012
65 OR OLDER	29,268	7,182	24.5	28,934	5,952	20.6	-17.1%	-1,230
GRADUATED COLLEGE	34,578	15,991	46.2	35,347	15,352	43.4	-4.0%	-639
ATTENDED COLLEGE	33,812	13,404	39.6	35,167	13,723	39.0	+2.4%	+319
GRADUATED HIGH SCHOOL	71,180	24,562	34.5	70,823	23,366	33.0	-4.9%	-1,196
DID NOT GRADUATE HIGH SCHOOL	41,560	8,368	20.1	41,119	7,721	18.8	-7.7%	-647
PROFESSIONAL/MANAGER	31,879	15,063	47.3	31,819	14,737	46.3	-2.2%	-326
TECHNICAL/CLERICAL/SALES	37,678	15,517	41.2	39,581	15,721	39.7	+1.3%	+204
PRECISION/CRAFT	14,826	4,569	30.8	14,839	4,202	28.3	-8.0%	-367
OTHER EMPLOYED	35,775	10,919	30.5	39,001	11,504	29.5	+5.4%	+585
SINGLE	38,788	11,226	28.2	40,179	10,244	25.5	-8.7%	-982
MARRIED	108,473	42,668	39.3	108,808	41,558	38.2	-2.6%	-1,110
DIVORCED,SEPARATED,WIDOWED	32,870	8,431	25.6	33,469	8,360	25.0	-0.8%	-71
PARENTS	60,843	24,585	40.4	60,855	23,317	38.3	-5.2%	-1,268
NORTHEAST-CENSUS	38,551	13,842	35.9	38,593	12,997	33.7	-6.1%	-845
MIDWEST	44,079	18,180	41.2	44,281	18,195	41.1	+0.1%	+15
SOUTH	62,458	19,820	31.7	62,591	18,818	30.1	-5.1%	-1,002
WEST	36,042	10,483	29.1	36,991	10,151	27.4	-3.2%	-332
HOUSEHOLD INCOME								
$75,000 OR MORE	N/A	N/A	N/A	21,409	9,733	45.5	N/A	N/A
$60,000 OR MORE	31,937	14,425	45.2	36,836	15,963	43.3	+10.7%	+1,538
$50,000 OR MORE	47,508	21,850	46.0	53,155	22,601	42.5	+3.4%	+751
$40,000 OR MORE	68,804	30,374	44.1	75,291	32,062	42.6	+5.6%	+1,688
$30,000 OR MORE	96,864	41,572	42.9	102,396	41,741	40.8	+0.4%	+169
$30,000—$39,999	28,060	11,199	39.9	27,105	9,680	35.7	-13.6%	-1,519
$20,000—$29,999	30,796	9,843	32.0	30,317	9,279	30.6	-5.7%	-564
$10,000—$19,999	32,038	7,514	23.5	29,855	6,322	21.2	-15.9%	-1,192
UNDER $10,000	21,433	3,395	15.8	19,888	2,820	14.2	-16.9%	-575
HOUSEHOLD SIZE								
1 PERSON	23,081	5,462	23.7	23,383	5,518	23.6	+1.0%	+56
2 PEOPLE	59,128	19,297	32.6	59,547	18,243	30.6	-5.5%	-1,054
3 OR 4 PEOPLE	73,074	27,656	37.8	72,643	27,410	37.7	-0.9%	-246
5 OR MORE PEOPLE	25,847	9,910	38.3	26,884	8,991	33.4	-9.3%	-919
NO CHILD IN HOUSEHOLD	108,398	34,125	31.5	109,702	33,474	30.5	-1.9%	-651
CHILDREN UNDER 2 YEARS	15,433	5,637	36.5	15,048	4,956	32.9	-12.1%	-681
2—5 YEARS	25,280	9,942	39.3	25,473	9,563	37.5	-3.8%	-379
6—11 YEARS	33,718	13,914	41.3	34,011	11,926	35.1	-14.3%	-1,988
12—17 YEARS	32,401	12,087	37.3	33,774	12,296	36.4	+1.7%	+209
RESIDENCE OWNED	124,240	48,252	38.8	124,747	47,616	38.2	-1.3%	-636
VALUE $70,000 OR MORE	66,423	28,034	42.2	69,554	29,610	42.6	+5.6%	+1,576
VALUE LESS THAN $70,000	57,817	20,218	35.0	55,193	18,005	32.6	-10.9%	-2,213

*Indicates less than +0.1%

Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets

SALARY & COMMISSION HIGHS AND LOWS: INBOUND

	Customer Service	Sales	Both Cust. Ser. & Sales
	Full-Time	*Full-Time*	*Full-Time*
TSRs Paid Salary Only			
High	$23,500	$30,000	$30,000
Low	$21,600	$21,000	$13,520
TSRs Paid Hourly Wage Only			
High	$17.00	$9.00	$9.00
Low	$5.00	$5.00	$5.00
TSRs Paid Salary & Commission			
Salary High	*	$22,675	$25,000
Commission As % of Base High	*	36%	*
Salary Low	*	$18,000	$15,080
Commission As % of Base Low	*	35%	*
Supervisors			
Salary High	$30,000	$50,000	$40,000
Commission High	*	25%	*
Salary Low	$15,000	$15,000	$15,000
Commission Low	*	10%	*
Managers			
Salary High	$35,000	$60,000	$70,000
Commission High	*	25%	*
Salary Low	$26,400	$20,500	$26,000
Commission Low	*	15%	*
Management Combined Positions			
Salary High	$60,000	$34,250	$48,000
Commission High	*	*	25%
Salary Low	$26,500	$18,500	$26,000
Commission Low	*	*	5%

* Not enough information to be statistically representative

Source: *Telemarketing Magazine*, 1991.

SALARY & COMMISSION HIGHS AND LOWS: OUTBOUND

	Business-to-			
	Business		Consumer	
	Full-Time	*Part-Time*	*Full-Time*	*Part-Time*
TSRs Paid Salary Only				
High	$25,000	*	$24,000	*
Low	$14,500	*	$21,000	*
TSRs Paid Hourly Wage Only				
High	$14.50	$12.00	$14.50	$12.00
Low	$4.75	$5.00	$4.75	$4.25
TSRs Paid Salary & Commission				
Salary High	$40,000	*	*	*
Commission As % of Base High	50%	*	*	*
Commission As % of Sales High	20%	*	*	*
Salary Low	$12,500	*	*	*
Commission As % of Base Low	.50%	*	*	*
Commission As % of Sales Low	1%	*	*	*
TSRs Paid Hourly Wage & Commission				
Salary High	$12.35	$10.00	$7.00	$8.00
Commission As % of Base High	150%	25%	*	20%
Commission As % of Sales High	50%	30%	50%	35%
Wage Low	$5.00	$5.00	$5.00	$4.25
Commission As % of Base Low	1%	1%	*	15%
Commission As % of Sales Low	1%	3%	2%	2%
Supervisors				
Salary High	$43,000	$27,000	$32,000	$23,500
Commission High	30%	20%	200%	50%
Salary Low	$13,000	$4,290	$7,500	$4,290
Commission Low	1%	1%	.01%	.0025%
Managers				
Salary High	$70,000	$37,000	$45,000	$40,000
Commission High	40%	*	75%	70%
Salary Low	$20,000	$8,000	$21,000	$26,000
Commission Low	.50%	*	5%	.05%
Management Combined Positions				
Salary High	$72,000	$60,000	$40,000	$31,000
Commission High	75%	*	29%	60%
Salary Low	$15,000	$17,000	$10,400	$23,000
Commission Low	.01%	*	20%	.75%

* Not enough information to be statistically representative

Source: *Telemarketing Magazine*, 1991.

IN HOUSE OUTBOUND TELEMARKETING WORKSHEET

Outbound: 9:00 A.M. To 5:00 P.M.
MONTHLY EXPENSE STATEMENT

	REPRESENTATIVE PHONE HOURS (123.5) DIRECT EXPENSES	COST	COST/PHONE HOUR
A.	**LABOR**		
	MANAGER (1/3 TIME)	$ 1,500	$ 1.21
	SUPERVISOR (FULL TIME)	3,000	2.43
	REPRESENTATIVES (10 FULL TIME)	18,000	14.57
	ADMINISTRATION (2 FULL TIME)	2,426	1.96
	TAX AND FRINGE (1/3 OF WAGES)	12,473	10.10
	COMMISSIONS	12,529	10.14
	SUBTOTAL	$49,928	$40.41
B.	**PHONE**		
	EQUIPMENT AND SERVICE LINES	350	0.28
	WATS	7,710	6.24
	MTS (MESSAGE TOLL SERVICE)	1,297	1.05
	SUBTOTAL	$ 9,357	$ 7.57
C.	**AUTOMATION**		
	DEPRECIATION	3,542	2.87
	MAINTENANCE	1,063	0.86
	SUBTOTAL	4,605	3.73
D.	**OTHER**		
	LISTS	3,088	2.50
	MAIL/CATALOGS	617	0.50
	POSTAGE	358	0.29
	MISCELLANEOUS	1,235	1.00
	SUBTOTAL	$ 5,298	$ 4.29
	TOTAL DIRECT	69,188	56.00
	G&A (15%)	10,378	8.40
	GRAND TOTAL	$79,566	$64.40

BASIS FOR EXPENSE STATEMENT:

LABOR

Manager: Annual = $54,000 x 1/3 allocation = $1,500/month
Supervisor: Annual = $36,000 at full allocation = $3,000/month
Representatives: $10.38/hour x 40 hours/week x 52 weeks full allocation = $1,799/month
6.5 phone hours/day x 19 days/month = 123.5 phone hours/month
Administration: $7.00/hour x 40 hours/week x 52 weeks full allocation = $1,213/month
Tax and Fringe: 33.3% of wages (including contest incentives)
Commissions: Reps—40% of total Remuneration
Supervisor—15% of Total Remuneration

PHONE

WATS (800) = Average 25 minutes/labor hour Interstate
WATS Connect Time: 25 min x .24/min, average cost plus 10 lines access charges
MTS (Message Toll Service) =
5 minutes/labor hour connect time
5 minutes x .21/min

COMPUTATIONS

1. ● 12 TDs (total dialings)/rep phone hour costs $5.37/dial
2. ● 15 TDs/hour = $4.29/dial
3. ● 5 DMCs (decision-maker contacts) per phone hour cost $12.88/DMC
4. ● 6 DMCs per phone hour cost $10.74/DMC
5. ● 1 Order/rep phone hour = $64.42 per order
6. ● 3 Orders/rep phone hour = $21.47 per order

Source: Successful Telemarketing. Bob Stone & John Wyman, published by NTC Business Books, 1992. Information developed by Rudy Oetting.

IN HOUSE INBOUND TELEMARKETING WORKSHEET

Inbound: 9:00 A.M. To 5:00 P.M.
MONTHLY EXPENSE STATEMENT

REPRESENTATIVE PHONE HOURS (123.5) DIRECT EXPENSES	COST	COST/PHONE HOUR
A. **LABOR**		
MANAGER (1/3 TIME)	$ 1,250	$ 1.01
SUPERVISOR (FULL TIME)	2,750	2.23
REPRESENTATIVES (10 FULL TIME)	16,000	12.96
ADMINISTRATION (2 FULL TIME)	1,213	0.98
TAX AND FRINGE (1/3 OF WAGES)	7,064	5.72
INCENTIVES	2,000	1.62
SUBTOTAL	$30,277	$24.52
B. **PHONE**		
EQUIPMENT AND SERVICE LINES	1,489	1.21
WATS	10,240	8.29
MTS (MESSAGE TOLL SERVICE)	—	—
SUBTOTAL	$11,729	$ 9.50
C. **AUTOMATION**		
DEPRECIATION	2,500	2.02
MAINTENANCE	750	0.61
SUBTOTAL	$ 3,250	$ 2.63
D. **OTHER**		
LISTS	—	—
MAIL/CATALOGS	2,470	2.00
POSTAGE	1,235	1.00
MISCELLANEOUS	1,000	0.81
SUBTOTAL	$ 4,705	$ 3.81
TOTAL DIRECT	49,961	40.56
G&A (15%)	7,494	6.07
GRAND TOTAL	$57,455	$46.63

BASIS FOR EXPENSE STATEMENT:

LABOR

Manager: Annual = $45,000 x 1/3 allocation = $1,250/month
Supervisor: Annual = $33,000 at full allocation = $2,750/month
Representatives: $9.23/hour x 40 hours/week x 52 weeks full allocation = $1,600/month
6.5 phone hours/day x 19 days/month = 123.5 phone hours/month
Administration: $7.00/hour x 40 hours/week x 52 weeks full allocation = $1,213/month
Tax and Fringe: 33.3% of wages (including contest incentives)
Incentives Reps only = $2,000/month

PHONE

ACD + Sets $65,000 depreciated over 5 years plus $4,875 annual maintenance
WATS (800) = Average 40 minutes (69%) /labor hour
WATS Connect Time: 40 min x .20/min, average cost plus 10 lines access charges

AUTOMATION $6,000 per workstation for 15 stations (additional for growth) depreciated over 3 years plus annual maintenance, equivalent to 10% of total purchase cost.

NOTE

The average number of calls handled per rep phone hour is 12 @ 3.1 minutes each. During peaks, it can be as many as 15 per phone hour.

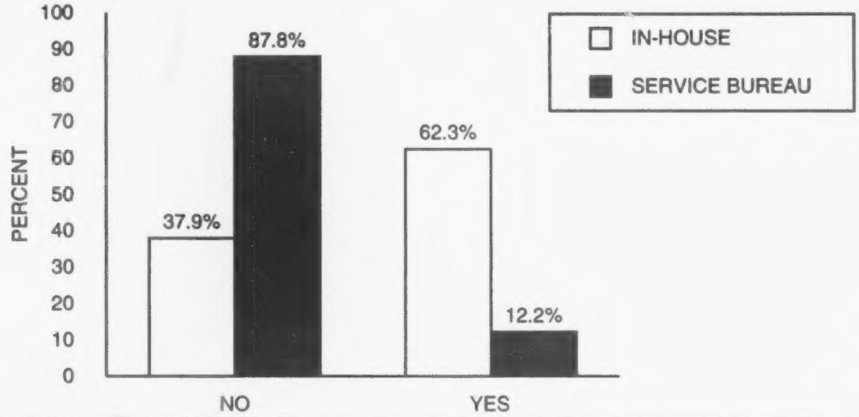
COMPUTATIONS

1. @ 12 calls/hour = $3.88/call
2. @ 15 calls/hour = $3.10/call
3. @ 1 Order/rep phone hour = $46.52 per order
4. @ 6 Orders/rep phone hour = $7.75 per order

Source: Successful Telemarketing. Bob Stone & John Wyman, published by NTC Business Books, 1992. Information developed by Rudy Oetting.

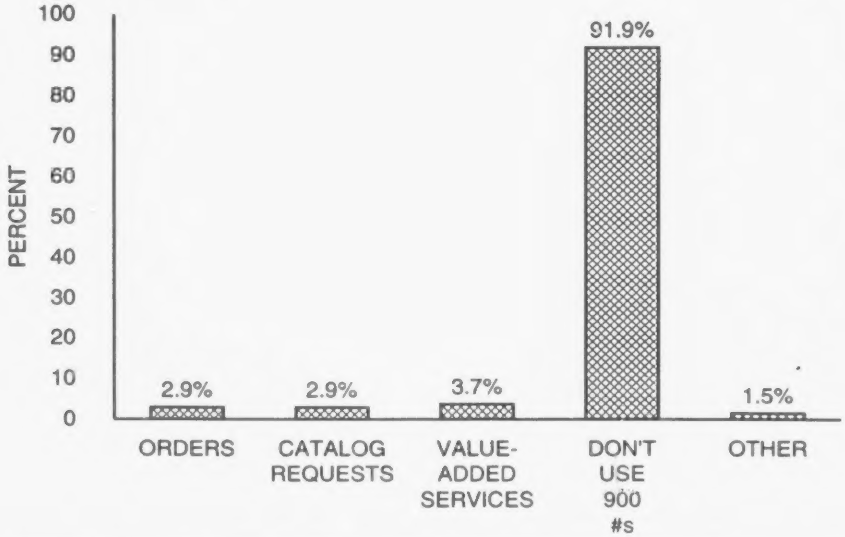
The Fifth Annual Catalog Age Study: The Comprehensive Annual Analysis of Catalog Trends and Practices provides a comprehensive and quantitative overview of virtually every aspect of catalog marketing. Conducted and compiled during the summer and fall of 1991, the 8-page market survey was mailed to a random sampling of 2,000 catalog company executives pulled from the Catalog Age Subscriber List. The data presented by the 1991 report represent the answers of the 494 survey respondents.

WHETHER IN-HOUSE/SERVICE BUREAU PHONE ORDER PROCESSORS ATTEMPT TO UPSELL



Source: Catalog Age, The Catalog Age Report, 1991.

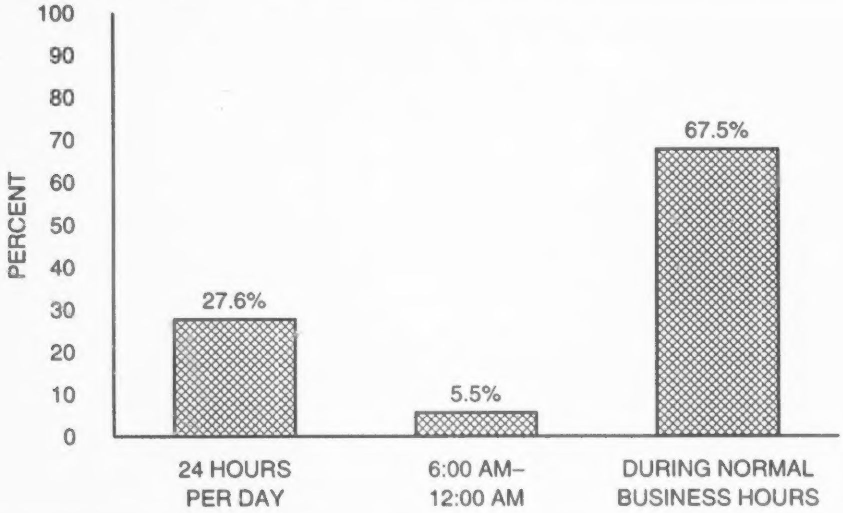
USES OF 900 NUMBERS



Source: Catalog Age, The Catalog Age Report, 1991.

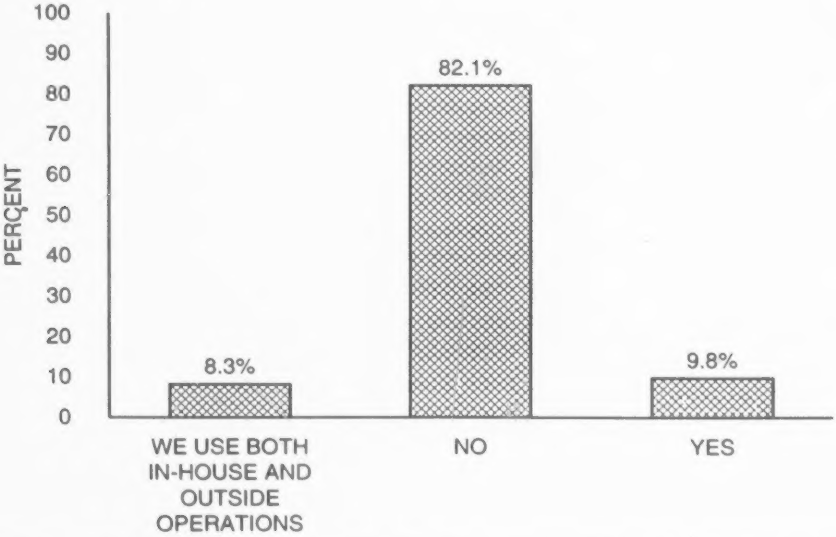
HOURS PHONE ORDERING LINE IS AVAILABLE

Most respondents (67.5%) indicate that their phone ordering line is available during business hours.



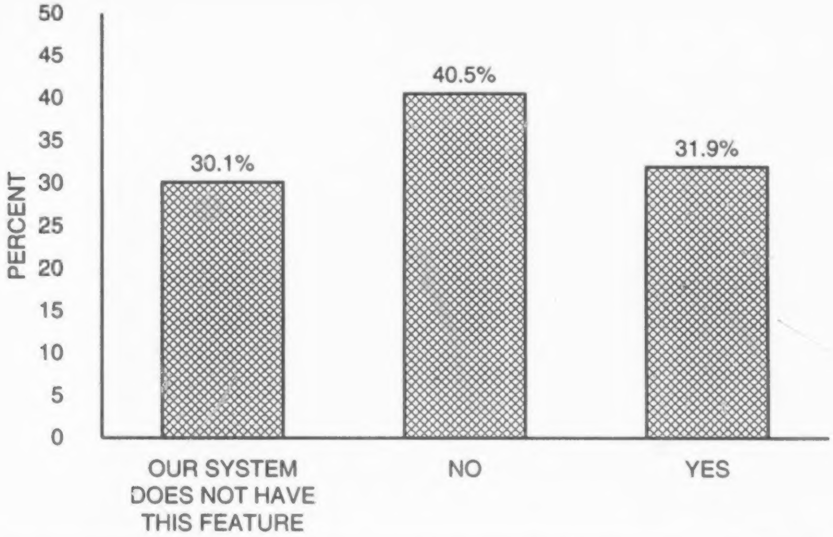
Source: Catalog Age, The Catalog Age Report, 1991.

WHETHER CATALOGERS USE AN OUTSIDE SERVICE FOR INBOUND 800 NUMBER CALLS



Source: Catalog Age, The Catalog Age Report, 1991.

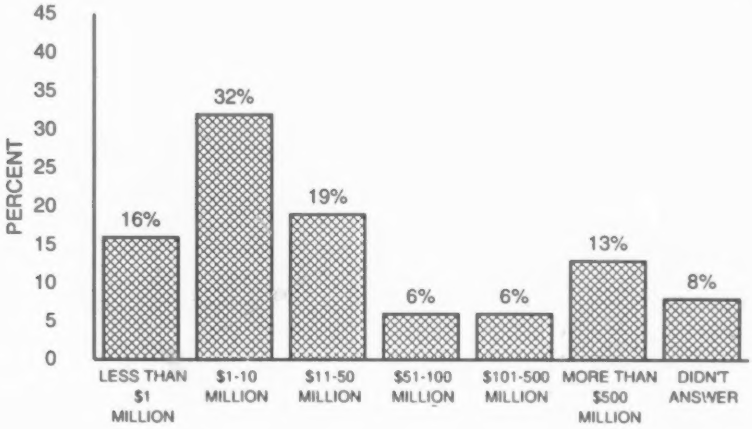
WHETHER TELEPHONE CENTER MANAGERS MONITOR TELEMARKETING CALLS FOR QUALITY CONTROL AND RETRAINING PURPOSES



Source: Catalog Age, The Catalog Age Report, 1991.

ANNUAL SALES VOLUME OF TELEMARKETING COMPANIES

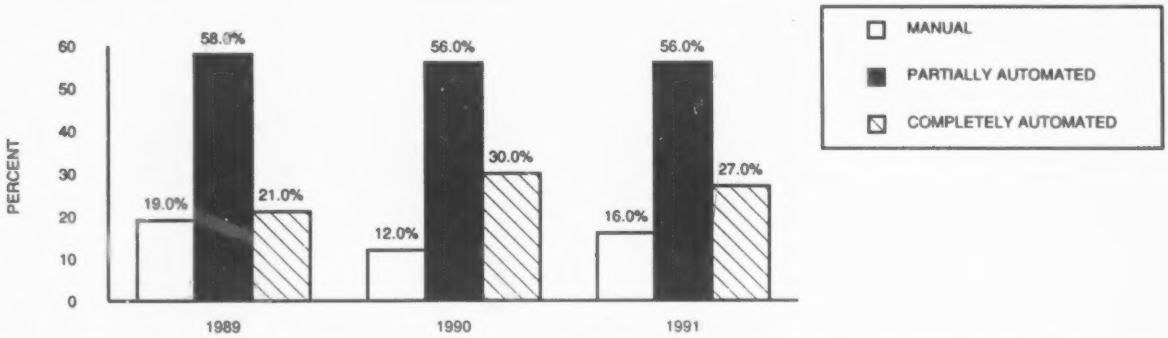
The Ninth Annual Telemarketing Compensation Update was conducted in March, 1991 by mail questionnaire among a random sample of 1,800 qualified telemarketing companies. The study is designed to give a better idea of compensation practices and the demographic breakdown of the telemarketing industry.



Source: *Telemarketing Magazine*, 1991.

DEGREES OF TELEMARKETING AUTOMATION

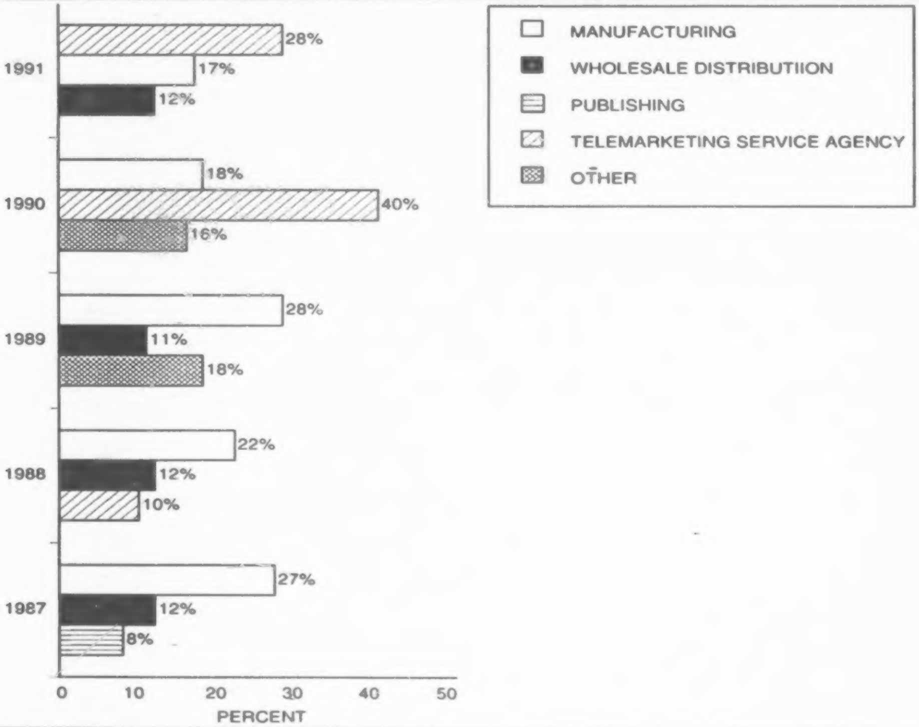
Most companies surveyed (56%) are partially automated—meaning they use office automation, but not automated sales equipment. About 27% are completely automated (a virtually paperless system, office and sales automation), and 16% are completely manual.



Source: *Telemarketing Magazine*, 1991.

TOP 3 INDUSTRIES USING TELEMARKETING (1987–1991)

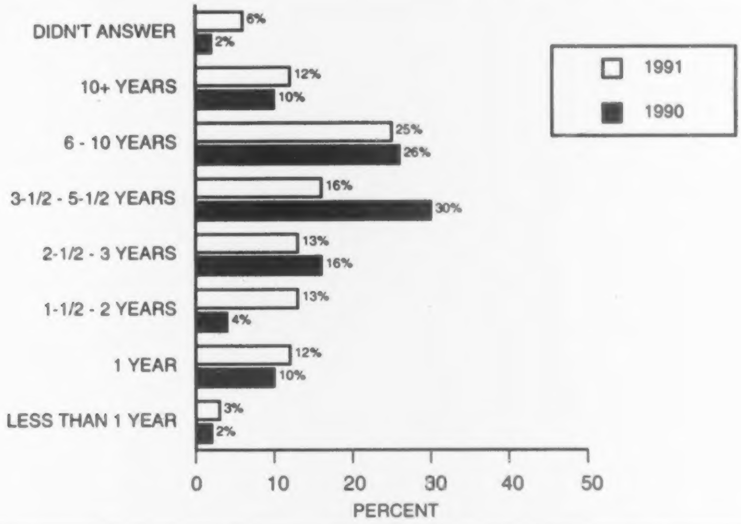
Telemarketing Service Agencies are the most active users of telemarketing according to the survey. The category dubbed "other" drew a very wide variety of responses—including a blood donor recruitment center, a museum and a radio station.



Source: *Telemarketing Magazine*, 1991.

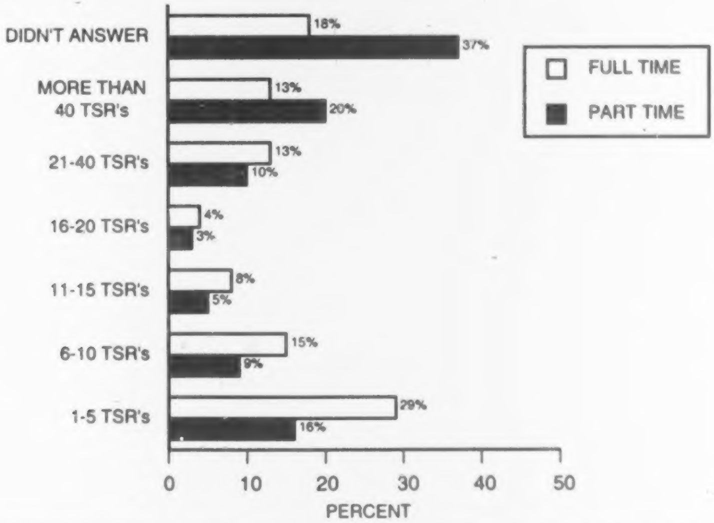
NUMBER OF YEARS RESPONDENT COMPANIES HAVE CONDUCTED TELEMARKETING

Twenty-five percent of respondents reported having six to 10 years of experience conducting telemarketing, just one percent less than last year's figure for this category.



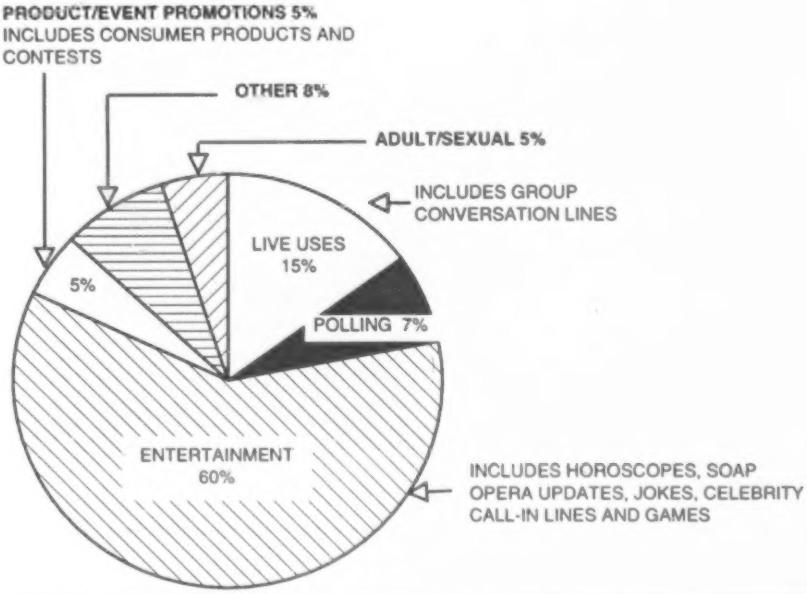
Source: *Telemarketing Magazine*, 1991.

NUMBER OF EMPLOYEES OF TELEMARKETING CENTERS



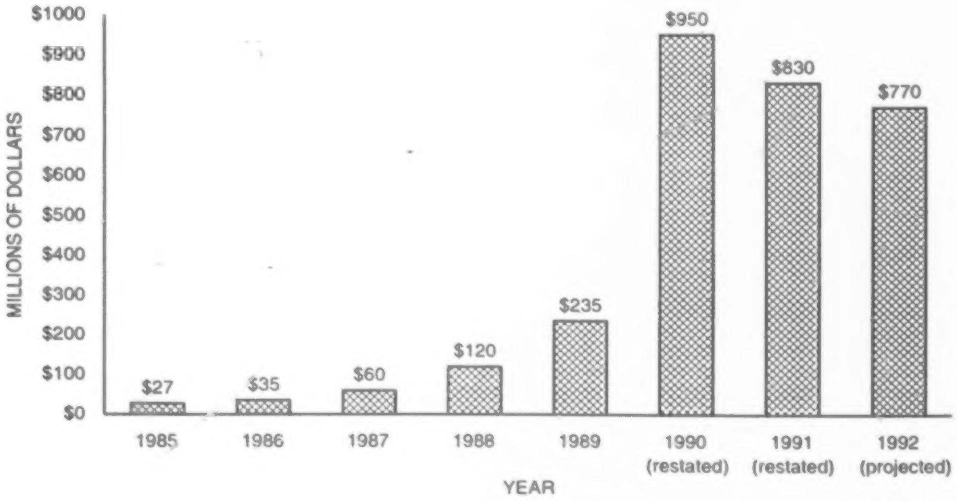
Source: *Telemarketing Magazine*, 1991.

USES OF 900—NUMBER TELEPHONE SERVICES
PROGRAM CONTENT BY MINUTES



Source: Link Resources, 1992.

ESTIMATED REVENUES OF 900 NUMBER TELEPHONE SERVICES
(IN MILLIONS)



Source: Link Resources, 1992.

1991 CONSUMER USAGE OF CALLER-PAID SERVICES

Usage Level	Percent
Regularly 2+ times/mo.	6
Occasionally 1-2 times/mo.	7
Seldom <1/mo.	8
Total	21

Source: LINK Resources Corp., 1991.

ON USING 900 NUMBERS TO PLAY ALONG WITH TV PROGRAMMING

Usage Level	Percent
Regularly 2+ times/mo.	1
Occasionally 1-2 times/mo.	1
Seldom <1/mo.	3
Total	5

Source: LINK Resources Corp., 1991.

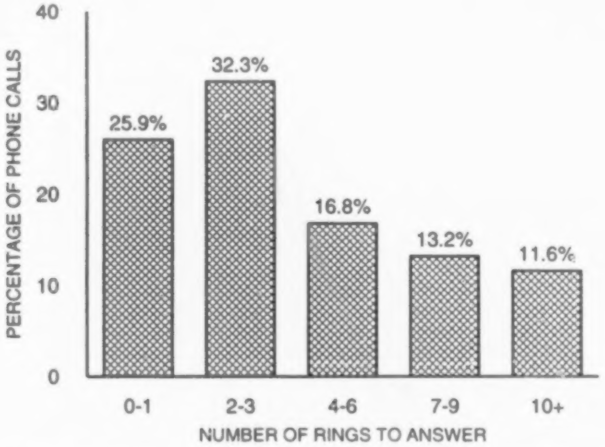
INTEREST IN PARTICIPATING IN TV GAME SHOWS FROM HOME

HH Response	Percent
Interested	9
Very Interested	24
Total with interest	33

Source: LINK Resources Corp., 1991.

AVERAGE NUMBER OF RINGS ON CATALOGERS' TOLL-FREE LINES

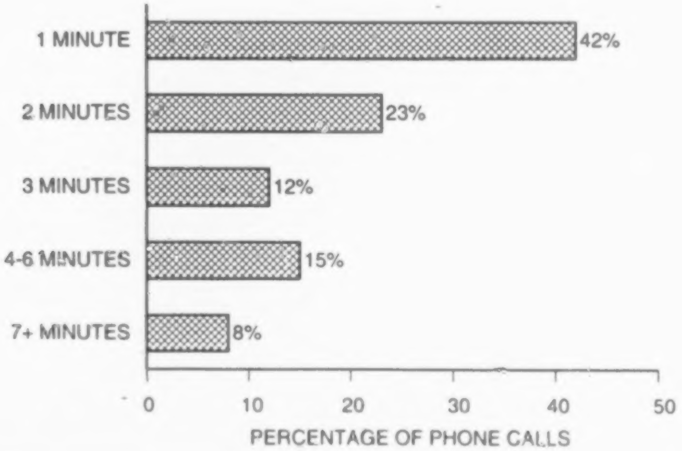
National Marketing Intelligence Service conducted a one-shot study to analyze catalogers' handling of incoming toll-free telephone calls. Calls were placed to a total sample of 362 catalogers in late 1990, and variables such as number of rings before contact, the greeting of the customer service rep, and time spent on hold were recorded.



Source: National Marketing Intelligence Service/Catalog Age Magazine, 1991

TIME ON HOLD ON CATALOGERS' TOLL-FREE LINES

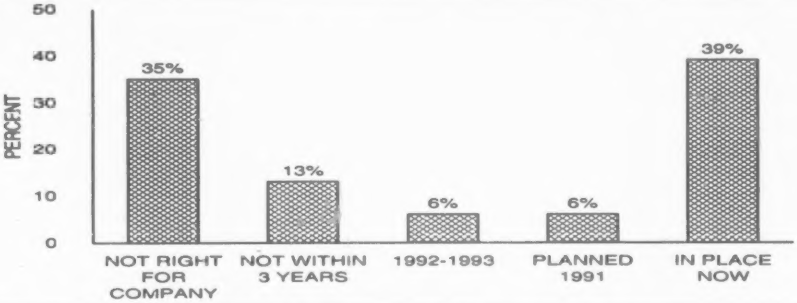
National Marketing Intelligence Service conducted a one-shot study to analyze catalogers' handling of incoming toll-free telephone calls. Calls were placed to a total sample of 362 catalogers in late 1990, and variables such as number of rings before contact, the greeting of the customer service rep, and time spent on hold were recorded.



Source: National Marketing Intelligence Service/Catalog Age Magazine, 1991

COMPANY STANDING ON AROUND THE CLOCK 800 SERVICE

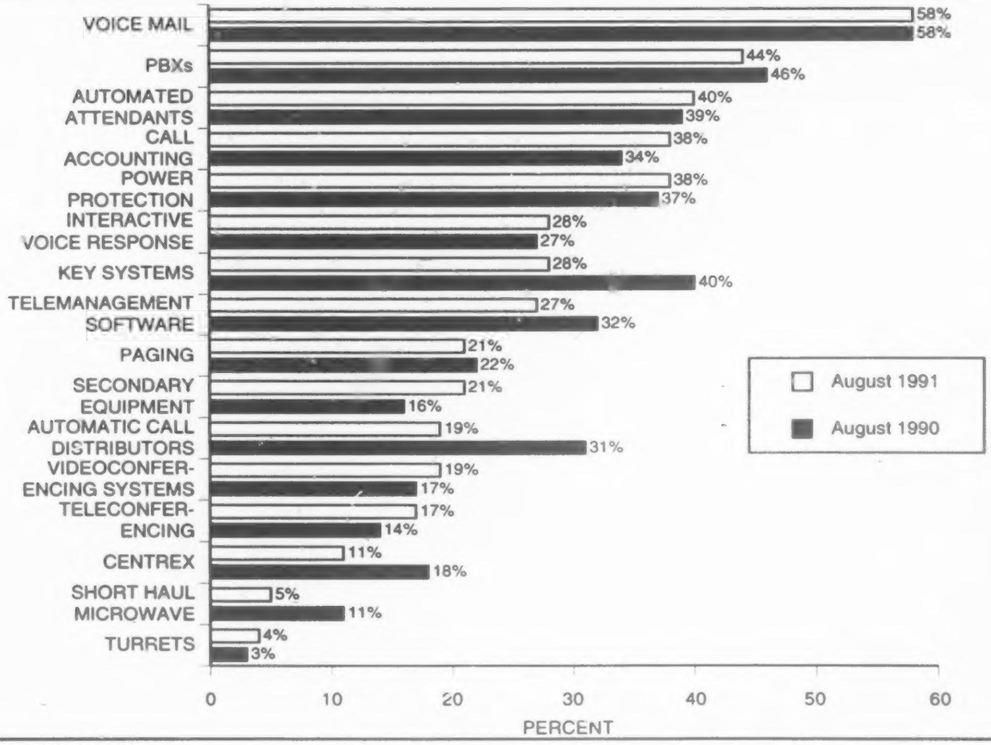
A similar proportion of respondents indicated they had around the clock 800 service in place versus those noting it was not right for their company (39% vs. 35%, respectively).



Source: DMA Marketing Practices and Performance Survey, conducted by the Direct Marketing Association in cooperation with David Shepard and Associates, Inc., 1990.

COMMUNICATIONS EQUIPMENT UTILIZED

In 1991, *Teleconnect Magazine* surveyed a sample of communication managers among their readership to gauge current trends in telecommunications. The chart below represents respondents' answers to the question: "What products are you going to buy next year?" The majority indicated that voice mail will be purchased, while buying secondary equipment has the biggest increase in 1991 over 1990.



Source: *Teleconnect Magazine*, 1991

Strategic Telemedia, a market research firm specializing in information services, conducts an annual research analysis of the 900 service market. The research process includes a review of regulatory literature and product descriptions, and includes interviews with users and developers of relevant communications equipment. This research was conducted to find out the nature of the changes that have taken place in the nation's telecommunications infrastructure in the past year.

NATIONAL 900 RETAIL BILLINGS 1988–91

($ IN MILLIONS)

AT&T experienced the most pronounced increase in 900 number retail billings from 1990–1991.

	1988	1989	1990	1991
AT&T	60	125	228	360
MCI	0	130	262	250
Sprint	0	115	240	315
Telesphere	0	75	150	50
Total	60	445	880	975
Growth Rate	–	742%	99%	20%

Source: Strategic Telemedia, 1991.

900 SERVICE REVENUE PROJECTIONS

TOTAL REVENUES: TELEPHONE PROGRAMMING AND TRANSACTIONS (IN MILLIONS)

	1989	1990	1991	1992	1993	1994	1995
Retail Price	455	880	975	1,121	1,334	1,574	1,889

Source: Strategic Telemedia, 1991.

900 NUMBER APPLICATIONS BREAKOUT

	1990	1991	1992
Information and Entertainment	61%	56%	51%
Direct Response/Transactions	39%	44%	49%
Information and Entertainment			
Personals/Datelines	23%	26%	---
Sports	11%	10%	---
Financial/Credit	8%	4%	---
Adult	4%	3%	---
Misc	8%	7%	---
Total	61%	56%	51%
Direct Response/Transactions			
Ordering	5%	7%	9%
Messaging	16%	12%	8%
Fund Raising	4%	5%	6%
Other (includes Fax)	1%	3%	6%
Sweepstakes	6%	6%	6%
Polling/Surveying	3%	4%	5%
Couponing	1%	2%	3%
Lead Generation	3%	3%	3%
Dealer Locators	1%	2%	2%
Customer Services	1%	1%	1%

Source: Strategic Telemedia, 1991.

• PRINT/PROMOTION

BUYING HABITS

COSTS

TRENDS

TOTAL POPULATION ORDERING FROM MAGAZINE AND NEWSPAPER OFFERS

The 1991 Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 23,555 adults, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results were then projected to reflect the entire adult U.S. population, estimated to be 182,456,000 in 1991.

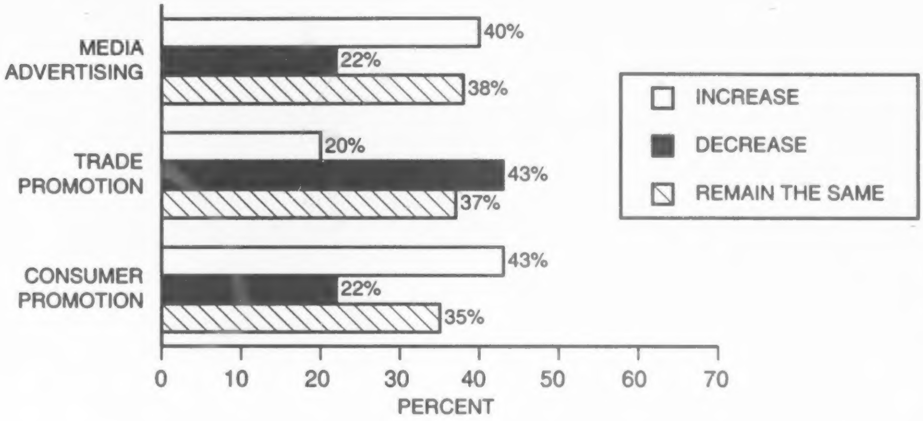
	1991 Total U.S. (000)	1991 Total U.S. Buyers (Magazine Offers) (000)	% Any Product (Magazine Offers)	1991 Total U.S. Buyers (Newspaper Offers) (000)	% Any Product (Newspaper Offers)
TOTAL ADULTS	182,456	26,476	14.5	7,705	4.2
MALES	87,118	11,427	13.1	3,137	3.6
FEMALES	95,338	15,049	15.8	4,568	4.8
18—24	25,530	3,629	14.2	648	2.5
25—34	44,118	6,852	15.5	1,998	4.5
35—44	37,521	5,958	15.9	1,589	4.2
45—54	25,346	3,785	14.9	1,338	5.3
55—64	21,009	3,211	15.3	971	4.6
65 OR OLDER	28,934	3,042	10.5	1,161	4.0
GRADUATED COLLEGE	35,347	5,158	14.6	1,565	4.4
ATTENDED COLLEGE	35,167	6,134	17.4	1,541	4.4
GRADUATED HIGH SCHOOL	70,823	10,645	15.0	2,901	4.1
DID NOT GRADUATE HIGH SCHOOL	41,119	4,539	11.0	1,698	4.1
PROFESSIONAL/MANAGER	31,819	4,680	14.7	1,393	4.4
TECHNICAL/CLERICAL/SALES	39,581	6,340	16.0	1,573	4.0
PRECISION/CRAFT	14,839	2,228	15.0	511*	3.4
OTHER EMPLOYED	39,001	5,870	15.1	1,552	4.0
SINGLE	40,179	5,606	14.0	1,414	3.5
MARRIED	108,808	16,211	14.9	4,665	4.3
DIVORCED/SEPARATED/WIDOWED	33,469	4,659	13.9	1,627	4.9
PARENTS	60,855	9,500	15.6	2,589	4.3
NORTHEAST-CENSUS	38,593	4,722	12.2	1,529	4.0
MIDWEST	44,281	6,971	15.7	1,917	4.3
SOUTH	62,591	9,054	14.5	2,928	4.7
WEST	36,991	5,729	15.5	1,332	3.6
HOUSEHOLD INCOME					
$75,000 OR MORE	21,409	3,260	15.2	1,182	5.5
$60,000 OR MORE	36,836	5,716	15.5	1,950	5.3
$50,000 OR MORE	53,155	8,141	15.3	2,493	4.7
$40,000 OR MORE	75,291	11,459	15.2	3,382	4.5
$30,000 OR MORE	102,396	15,661	15.3	4,587	4.5
$30,000—$39,999	27,105	4,201	15.5	1,206	4.4
$20,000—$29,999	30,317	4,778	15.8	1,232	4.1
$10,000—$19,999	29,855	4,214	14.1	1,239	4.2
UNDER $10,000	19,888	1,823	9.2	646	3.2
HOUSEHOLD SIZE					
1 PERSON	23,383	2,985	12.8	893	3.8
2 PEOPLE	59,547	7,842	13.2	2,160	3.6
3 OR 4 PEOPLE	72,643	11,731	16.1	2,970	4.1
5 OR MORE PEOPLE	26,884	3,917	14.6	1,683	6.3
CHILDREN					
NO CHILDREN IN HOUSEHOLD	109,702	14,952	13.6	4,388	4.0
CHILDREN UNDER 2 YEARS	15,048	2,229	14.8	845	5.6
2—5 YEARS	25,473	3,989	15.7	1,231	4.8
6—11 YEARS	34,011	5,112	15.0	1,612	4.7
12—17 YEARS	33,774	5,443	16.1	1,525	4.5
RESIDENCE OWNED	124,747	18,496	14.8	5,528	4.4
VALUE $70,000 OR MORE	69,554	10,665	15.3	3,049	4.4
VALUE LESS THAN $70,000	55,193	7,832	14.2	2,479	4.5

* Projection relatively unstable because of sample base – use with caution

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets

OUTLOOK FOR PROMOTIONAL ALLOCATIONS: 1991

The findings show that for 1992, respondents anticipate the highest share increase for consumer promotions.



Source: Donnelley Marketing Fourteenth Annual Survey of Promotional Practices, 1992.

ESTIMATED EXPENDITURES FOR INCENTIVES

	1991 Estimated Expenditures ('000)	1990 Estimated Expenditures ('000)	% Change
SALES INCENTIVES	$5,913,010	$5,652,900	+4.6%
Merchandise	4,351,173	4,152,838	+4.8%
Travel	1,561,837	1,500,062	+4.1%
DEALER INCENTIVES	$3,101,970	$3,080,050	+0.7%
Merchandise	2,031,033	2,022,415	+0.4%
Travel	1,070,937	1,057,635	+1.3%
MERCHANDISE TOTAL	$6,382,206	$6,175,253	+3.4%
TRAVEL TOTAL	$2,632,774	$2,557,697	+2.9%
BUSINESS GIFTS	$1,754,782	$1,757,005	-0.1%
CONSUMER PREMIUMS	$6,484,071	$6,508,882	-0.4%
TOTAL ESTIMATED USAGE	$17,253,833	$16,998,837	+1.5%

Source: *Incentive* Magazine, 1991.

VOLUME OF INSERTS IN SUNDAY/DAILY NEWSPAPERS

YEAR	FREE STANDING INSERTS (CIRCULATION IN BILLIONS)	PERCENTAGE OF GROWTH ANNUALLY	FREE STANDING INSERT REVENUE	PERCENTAGE OF GROWTH ANNUALLY
1975	15,800	2.8	—	—
1980	27,733	2.2	$2,032,453,000*	—
1981	28,708	3.5	$2,288,542,000*	12.6
1982	29,966	4.4	$2,517,396,000*	10.0
1983	35,727	19.2	$3,095,000,000*	22.9
1984	41,265	15.5	$3,691,407,000*	19.3
1985	45,379	10.0	$1,880,403,000†	13.2
1986	51,503	13.5	$2,190,669,000†	16.5
1987	54,778	6.4	$2,446,101,000†	11.7
1988	56,428	3.0	$2,649,641,000†	8.3
1989	59,758	5.9	$2,837,712,000†	7.1
1990	64,341	7.7	$3,152,698,000†	11.1
1991	71,592	11.3	$3,666,588,000†	16.3

*Based on a 12-page tabloid and includes printing and inserting. A ratio of 55% printing and 45% inserting has been used. Years prior to 1982 have used a 50/50 ratio.
† FSI revenue for years beginning in 1985 does not include the cost of printing

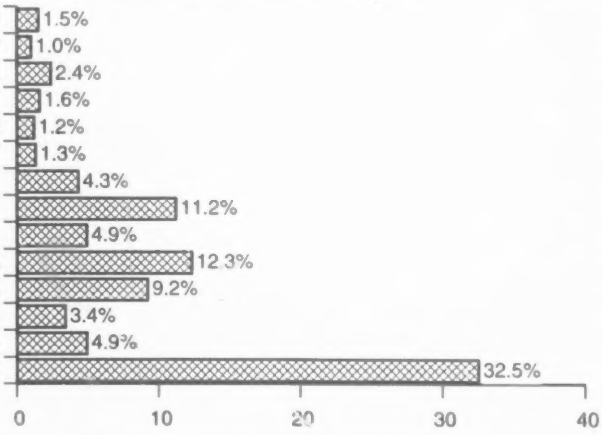
Source: Newspaper Advertising Bureau, Inc., 1991.

GROCERY PRODUCTS

COUPON REDEMPTION RATES BY MEDIA 1991

In reviewing average coupon redemption rates, it is important to recognize that there is a range of redemption rates above and below the media average. A statistical measure called the middle-half range has been included to provide some indication of the variability of the data. The middle-half range includes the middle 50% of all offers in each medium, but excludes the 25% highest redeeming and the 25% lowest redeeming offers.

For example, FSI-average redemption rate of 2.4%. Middle-half range of 1.1%–3.9%. This means the middle 50% of FSI coupons had a redemption rate of between 1.1% and 3.9%



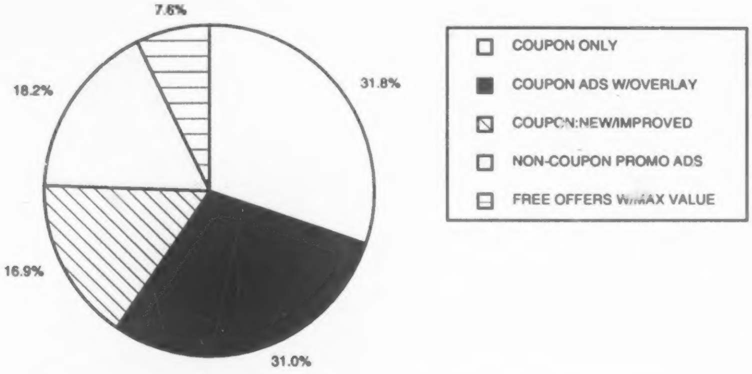
MEDIA		AVERAGE REDEMPTION RATE (%)	MIDDLE-HALF RANGE (%)
DAILY NEWSPAPER	ROP*SOLO	1.5%	0.1—2.1
	CO-OP	1.0%	0.1—0.6
SUNDAY NEWSPAPER	FSI	2.4%	1.1—3.9
	MAGAZINE SUPPLEMENT	1.6%	0.6—4.4
MAGAZINES	ON-PAGE	1.2%	0.1—1.9
	POP-UP/INSERT	1.3%	0.4—3.6
DIRECT MAIL		4.3%	1.0—15.8
ELECTRONICALLY DISPENSED		11.2%	2.5—17.3
HANDOUTS		4.9%	1.8—28.2
IN/ON PACK	REGULAR IN-PACK	12.3%	2.5—28.3
	REGULAR ON-PACK	9.2%	2.3—34.1
	IN-PACK CROSS RUFF+	3.4%	0.5—5.2
	ON-PACK CROSS RUFF+	4.9%	0.4—9.4
	INSTANT ON-PACK	32.5%	8.7—59.4

*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.
+ In/on-pack cross ruff—a coupon located in/on a package that offers money off on the purchase of *another* product.

Source: NCH Promotional Services, 1992.

BREAKOUT OF ALL PROMOTIONAL ADS: 1991

47,099 DIFFERENT ADS NOTED

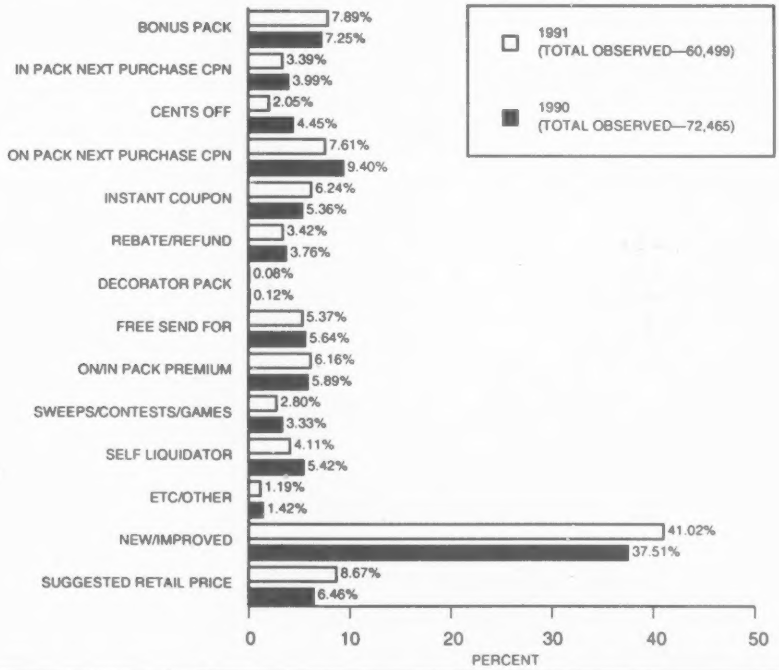


Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992.

PERCENT OF IN-STORE ON SHELF ACTIVITIES—1991 vs. 1990

In-store on shelf activities regarding immediate incentives such as "instant coupons" and "suggested retail price" are on the rise for 1991, whereas those involving a waiting period, such as "rebates" and "on pack next purchase coupons" have decreased.

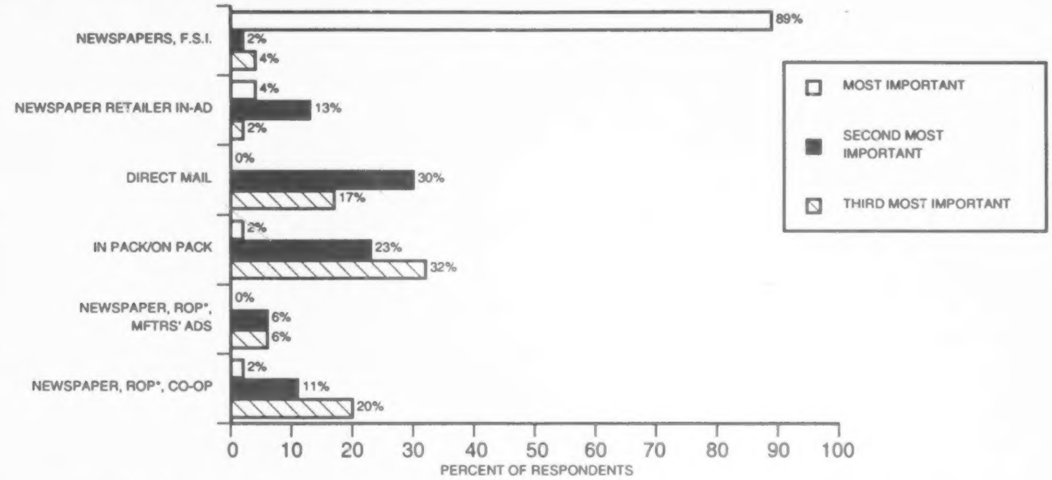
NOTE: Since many promotions are on the shelves for many months, these are 'sightings,' not necessarily different promotions.



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992.

The Fourteenth Annual Survey of Promotional Practices, sponsored by Donnelley Marketing, was conducted from October through December 1991 among 141 marketing executives who manage a large portion of all sales promotion budgets for nondurable goods and services in the U.S. A 38.0% response rate was achieved.

LEADING TYPES OF COUPON MEDIA VEHICLES: 1991
BASED ON DOLLAR IMPORTANCE

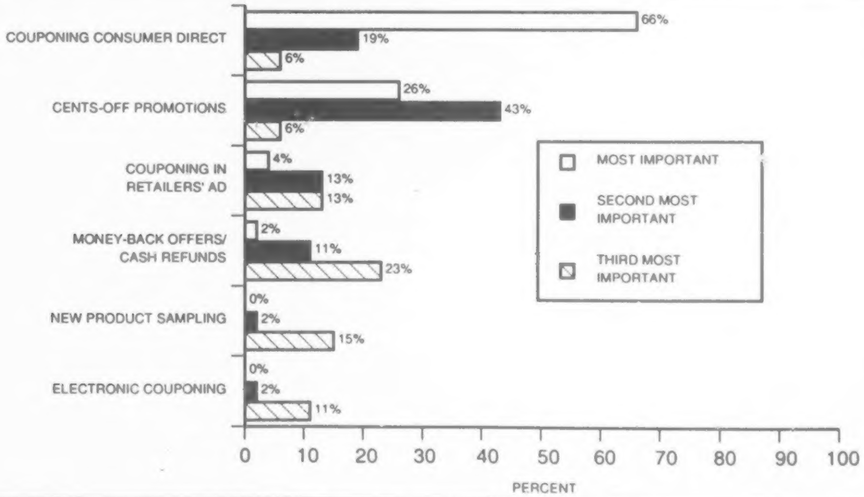


*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

Source: Donnelley Marketing Fourteenth Annual Survey of Promotional Practices, 1991.

PRINCIPAL CONSUMER PROMOTIONS USED: 1991
BASED ON DOLLAR IMPORTANCE

Couponing consumers direct and cents off promotions were identified as the "most important" consumer promotion in terms of dollars spent by participants.



Source: Donnelley Marketing Fourteenth Annual Survey of Promotional Practices, 1991

TYPES OF COUPON MEDIA USED: 1987—1991

As the year-to-year comparisons are subject to a certain amount of sampling variation, observed differences should be interpreted with caution. The principal changes in 1991 are the increase in usage levels for newspaper, ROP, manufacturer's ads.

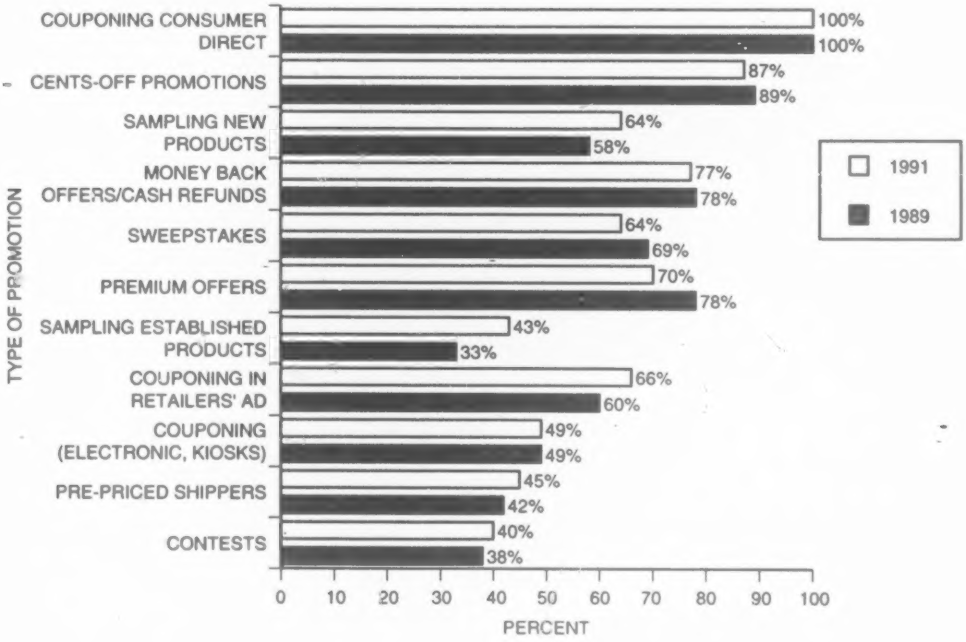
		PERCENT OF RESPONDENTS				
	5-YEAR COMPARISON OF USAGE LEVELS	1991	1990	1989	1988	1987
1.	NEWSPAPER, F.S.I.	100	91	96	91	94
2.	IN PACK/ON PACK	92	85	87	89	94
3.	IN-STORE DISTRIBUTION**	58	72	**	**	**
4.	DIRECT MAIL	75	68	74	78	82
5.	NEWSPAPER, ROP*, CO-OP	69	68	63	71	72
6.	ELECTRONIC COUPONING**	55	60	**	**	**
7.	NEWSPAPER RETAILER IN-AD	62	57	61	57	57
8.	MAGAZINES	51	49	56	60	65
9.	NEWSPAPER, ROP*, MFR'S AD	60	39	63	69	74
10.	SUNDAY SUPPLEMENTS	30	22	40	48	49

* Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

** Not asked in these survey years.

Source: Donnelley Marketing Annual Surveys of Promotional Practices for 1987, 1988, 1989, 1990, 1991.

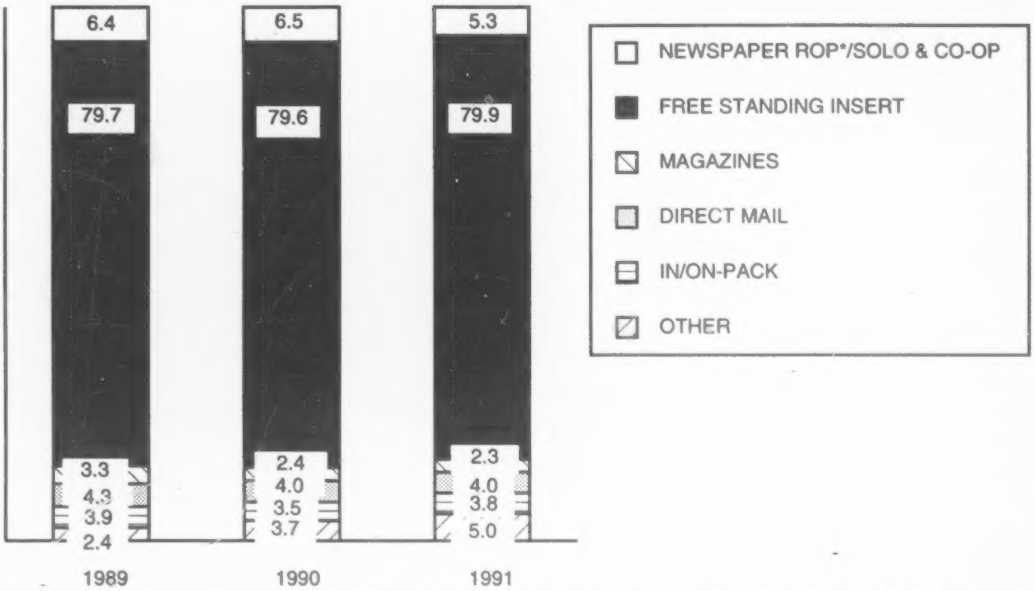
TYPES OF CONSUMER PROMOTIONS USED: 1989 vs. 1991



Source: Donnelley Marketing. Fourteenth Annual Survey of Promotional Practices, 1991

PERCENT OF COUPON DISTRIBUTION BY MEDIA
(ALL PRODUCTS)

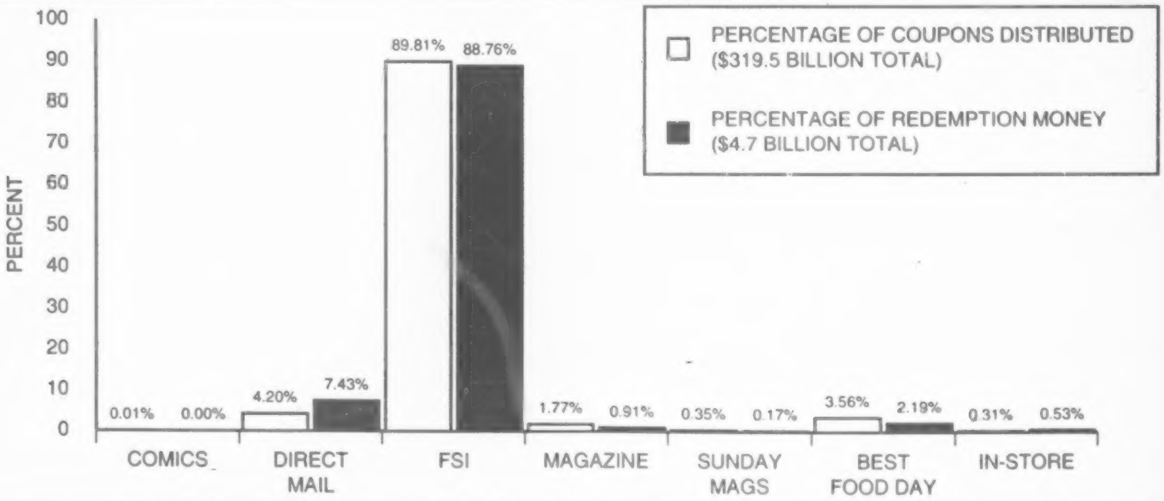
Free-standing inserts consistently maintained the largest distribution through 1991.



*ROP = Run of Paper/Press—newspaper publisher's option to place advertisements anywhere in the newspaper that space allows, at the sole discretion of the publisher.

Source: NCH Promotional Services, 1992.

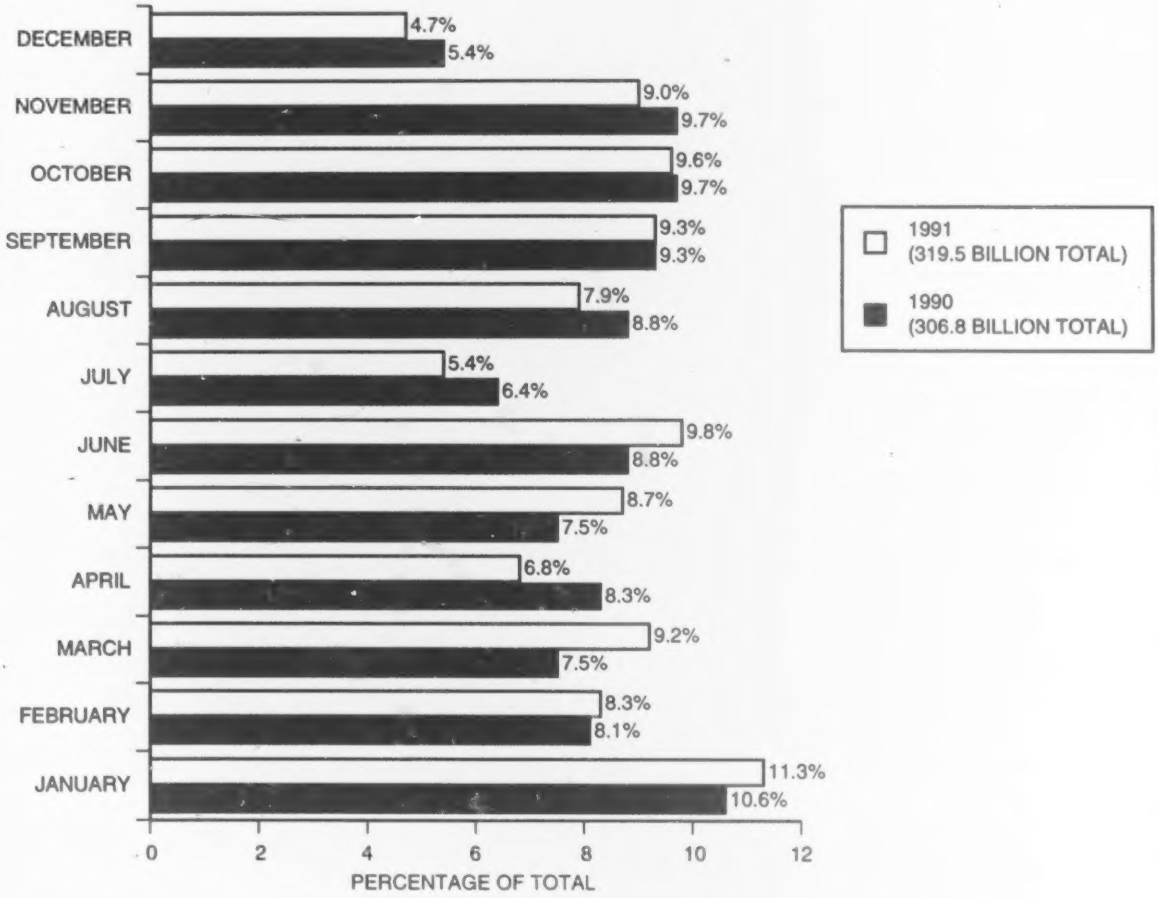
PERCENTAGE OF COUPONS DISTRIBUTED AND MONEY REDEEMED BY MEDIA: 1990



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992

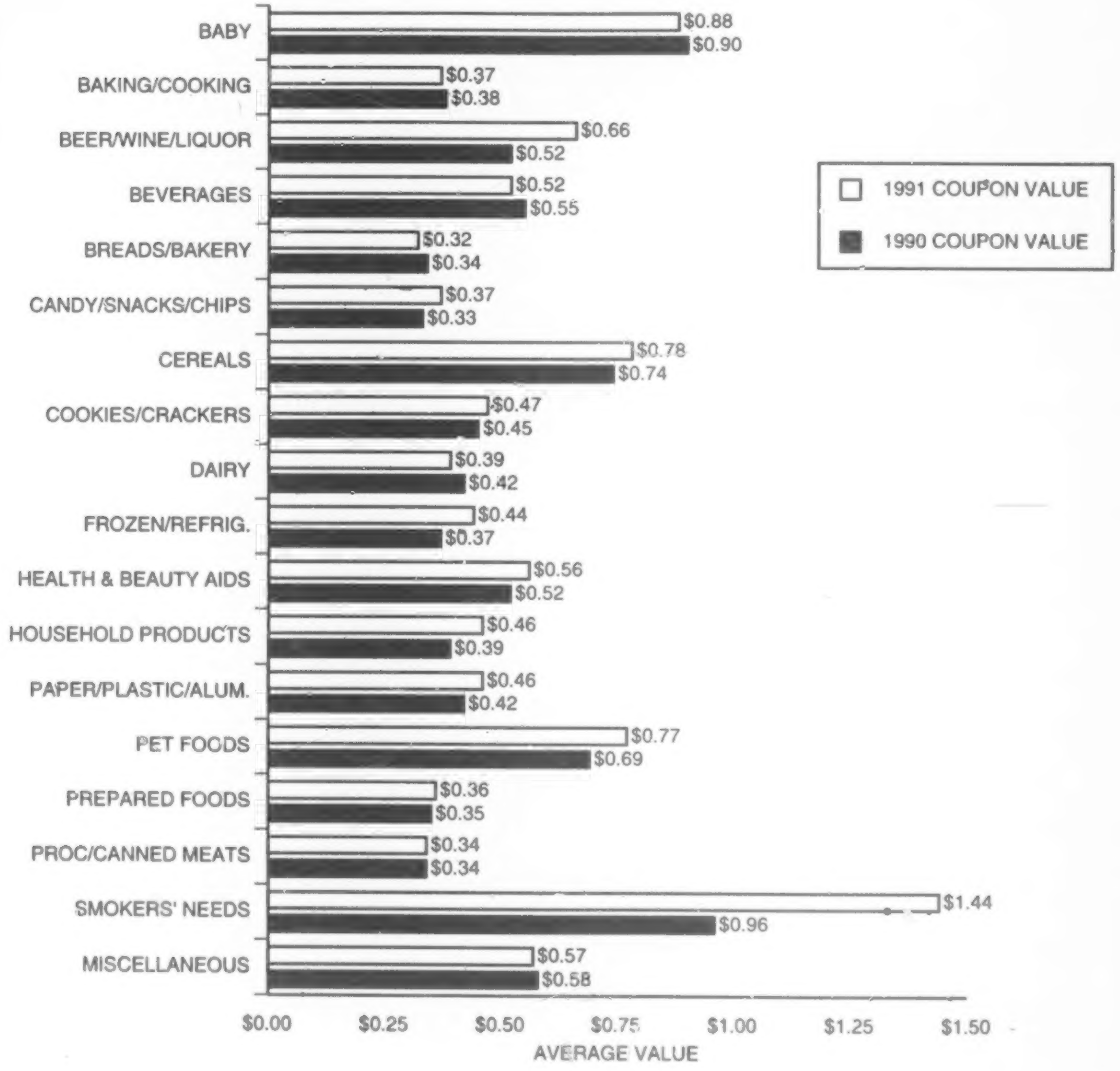
COUPONS DISTRIBUTED BY MONTH: 1991 vs. 1990

PERCENTAGE OF TOTAL



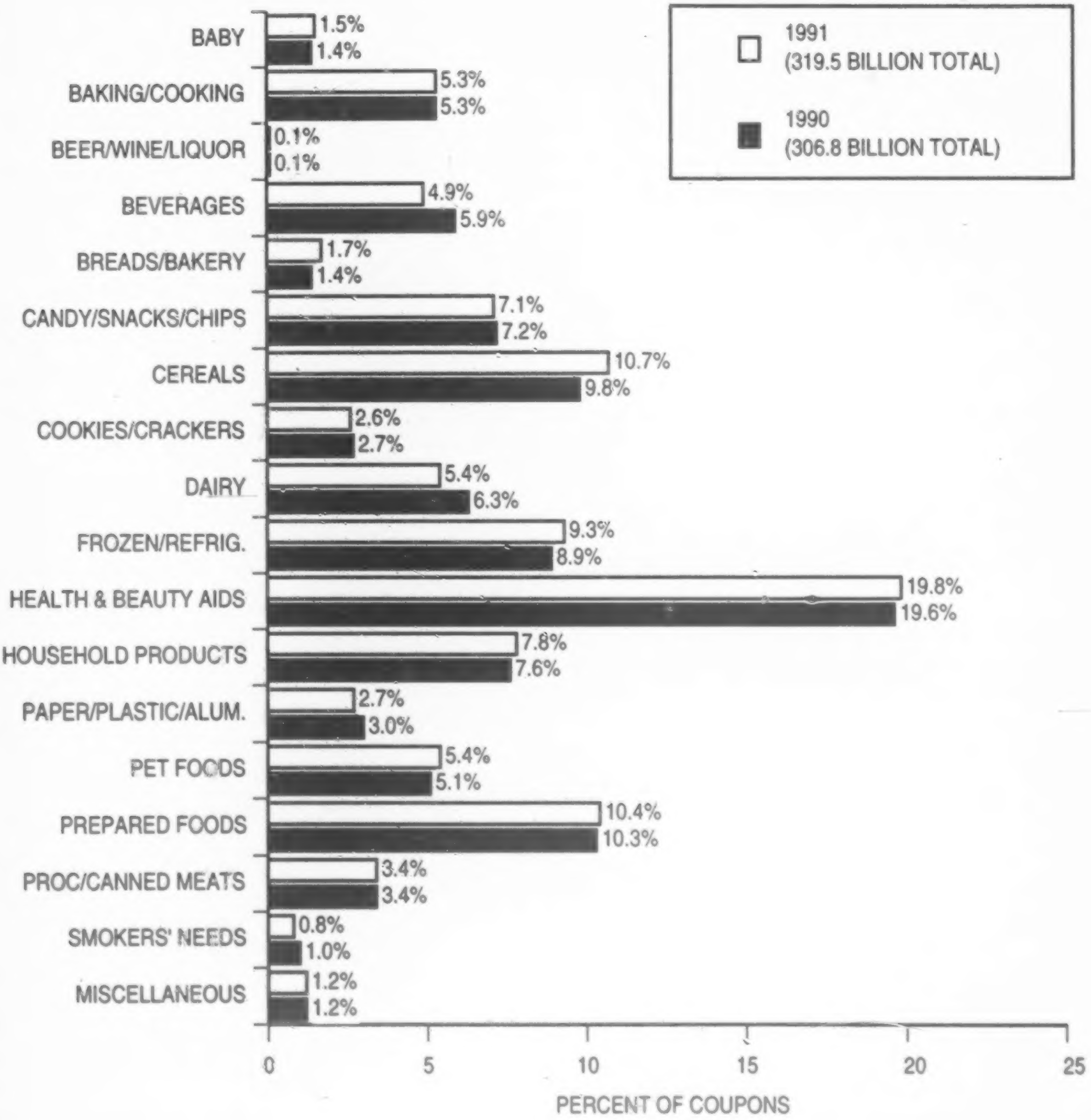
Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992.

AVERAGE VALUE OF COUPONS REDEEMED BY CATEGORY
(IN CENTS)



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992.

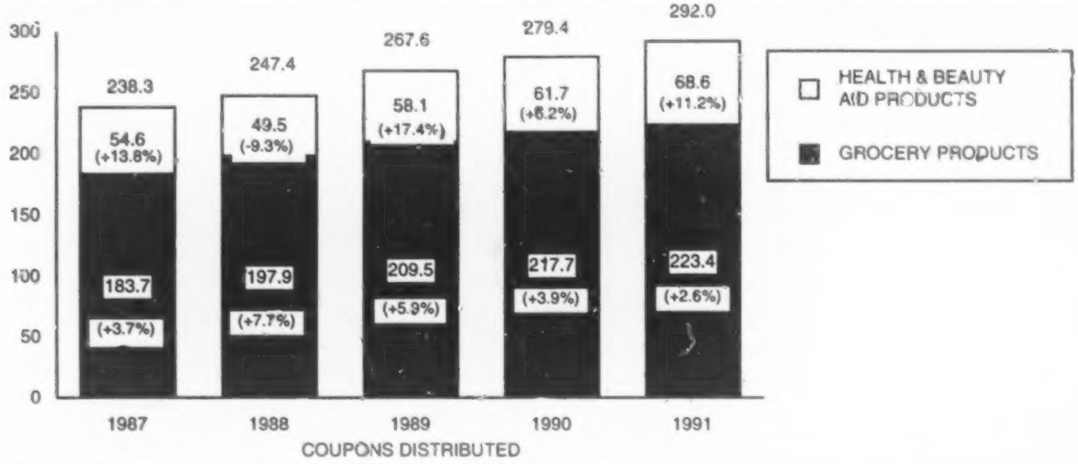
PERCENT OF COUPONS DISTRIBUTED BY CATEGORY: 1991 vs. 1990



Source: Summary Scan! Division of the Advertising Checking Bureau, Inc., 1992

TRENDS IN COUPON DISTRIBUTION
BILLIONS OF COUPONS

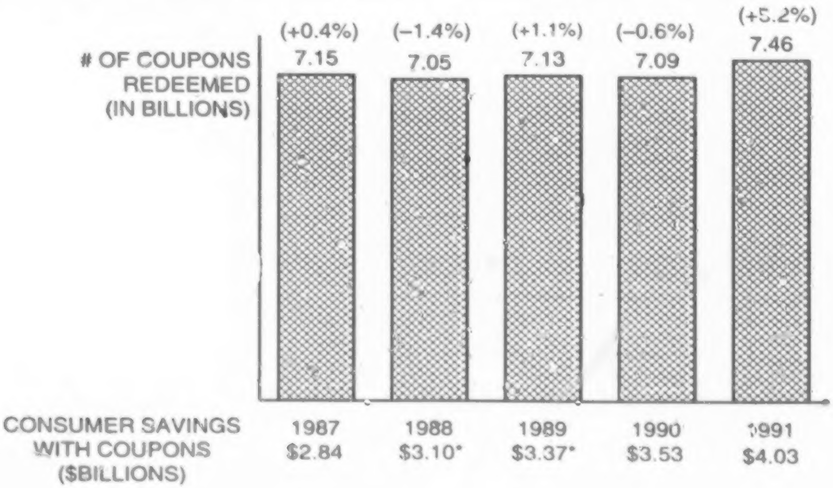
Coupon distribution on grocery products reflected a 3.9% growth in 1990 to 217.7 billion coupons. Coupons issued on grocery products represented 78% of all activity in 1990. This category includes promotions on food and household care items.



Source: NCH Promotional Services, 1991.

TRENDS IN COUPON REDEMPTION
BILLIONS OF COUPONS

A total of 7.46 billion coupons were redeemed by consumers in 1991, a 5.2% increase over 1990. Since 1986, coupon redemption has increased 4.8% from 7.12 billion.

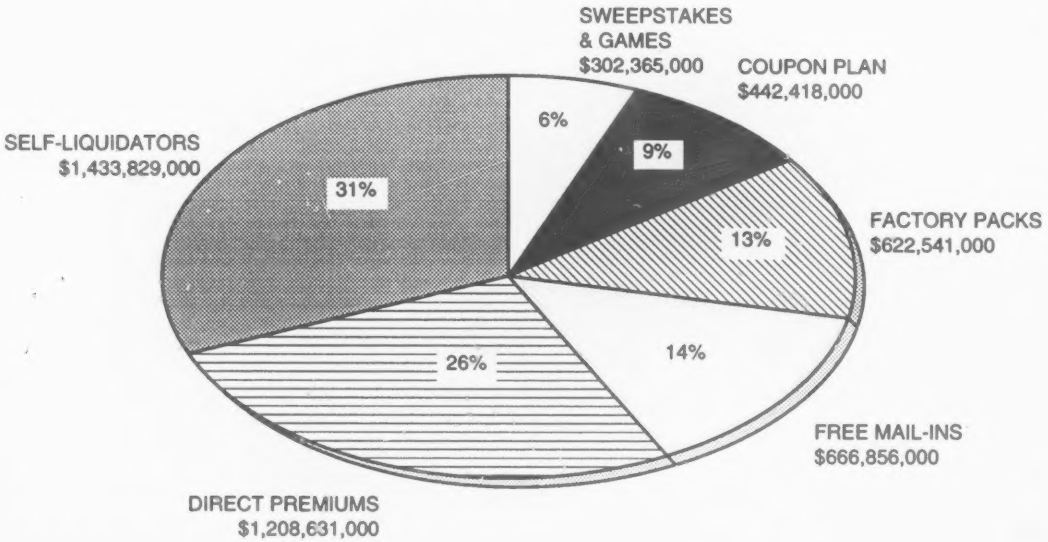


*Restated

Source: NCH Promotional Services, 1992

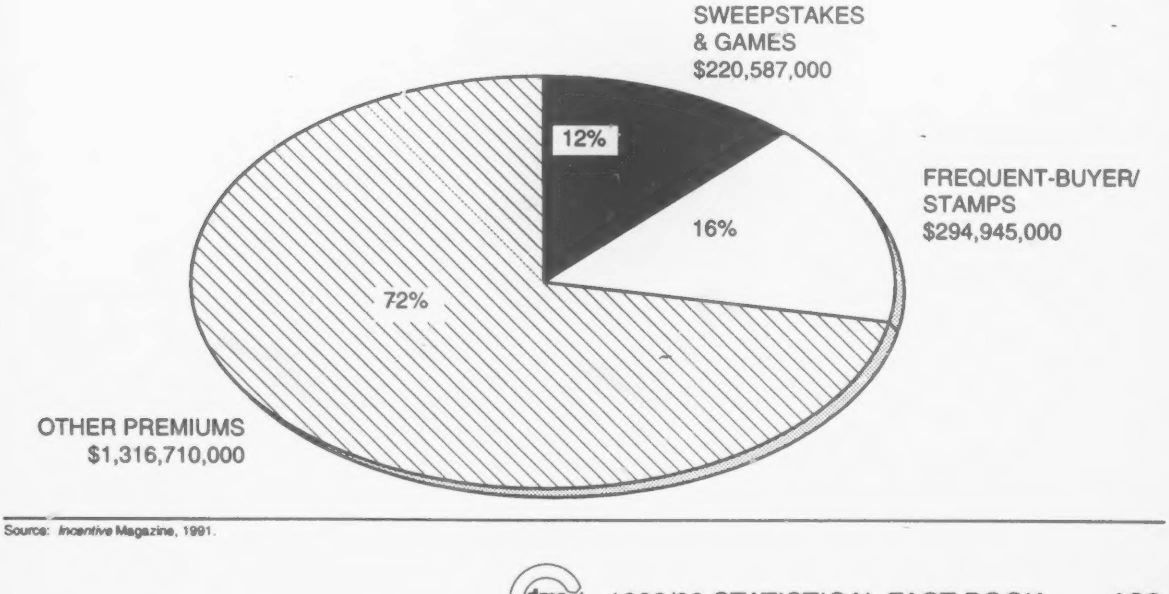
1990 CONSUMER INCENTIVE USAGE

PRODUCT PROMOTION *



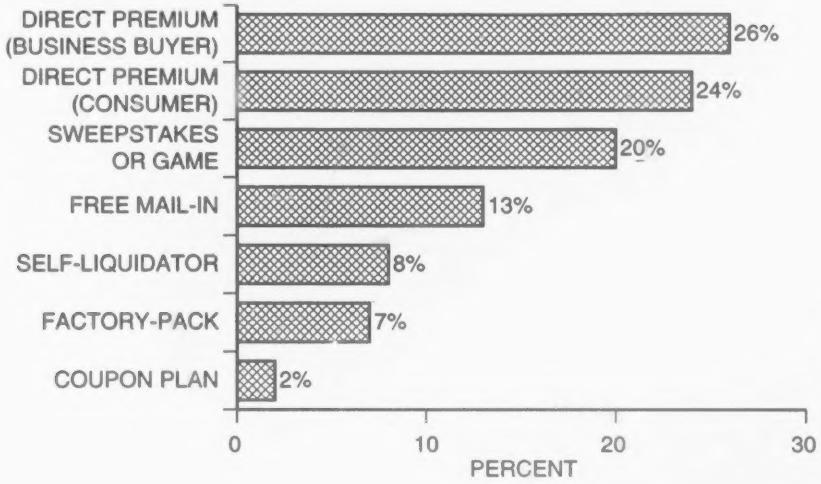
*Includes manufacturers, distributors and wholesalers

RETAILER PROMOTION



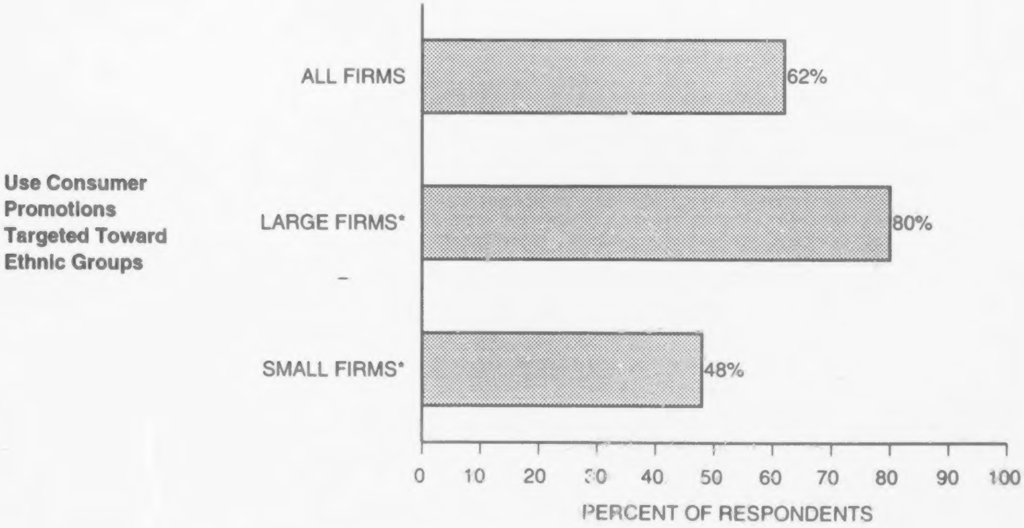
Source: *Incentive* Magazine, 1991.

CONSUMER PROMOTIONS—FREQUENCY BY TYPE



Source: *Incentive* Magazine, 1991.

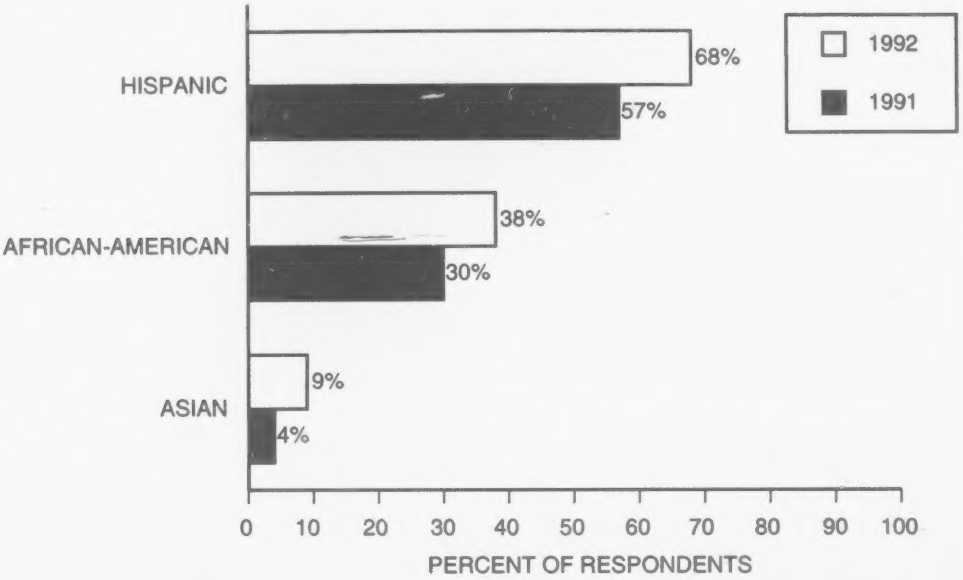
ETHNIC MARKETING: INVOLVEMENT IN 1991



* Larger firms. Annual sales = $1 billion +.
Smaller firms. Annual sales = less than $1billion.

Source: Donnelley Marketing. Fourteenth Annual Survey of Promotional Practices, 1992

ETHNIC MARKETING: GROUPS TARGETED



Source: Donnelley Marketing: Fourteenth Annual Survey of Promotional Practices, 1992.

• TELEVISION

BUYING HABITS

TRENDS

TOTAL POPULATION ORDERING MERCHANDISE OFFERED BY TELEVISION

The 1991 Study of Media and Markets is a syndicated study based on a stratified multistage area probability sample of 23,555 adults, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) are then projected to reflect the buying habits of the entire adult U.S. population, estimated to be 182,456,000 in 1991.

	1991 Total U.S. (000)	1991 Total U.S. Buyers (Television Offers) (000)	% Any Product
TOTAL ADULTS	182,456	15,850	8.7
MALES	87,118	6,683	7.7
FEMALES	95,338	9,167	9.6
18—24	25,530	2,189	8.6
25—34	44,118	3,764	8.5
35—44	37,521	3,435	9.2
45—54	25,346	2,626	10.4
55—64	21,009	2,072	9.9
65 OR OLDER	28,934	1,763	6.1
GRADUATED COLLEGE	35,347	2,547	7.2
ATTENDED COLLEGE	35,167	3,709	10.5
GRADUATED HIGH SCHOOL	70,823	6,803	9.6
DID NOT GRADUATE HIGH SCHOOL	41,119	2,792	6.8
PROFESSIONAL/MANAGER	31,819	2,733	8.6
TECHNICAL/CLERICAL SALES	39,581	3,785	9.6
PRECISION/CRAFT	14,839	1,430	9.6
OTHER EMPLOYED	39,001	3,327	8.5
SINGLE	40,179	3,058	7.6
MARRIED	108,808	10,046	9.2
DIVORCED/SEPARATED/WIDOWED	33,469	2,745	8.2
PARENTS	60,855	5,793	9.5
NORTHEAST-CENSUS	38,593	3,367	8.7
MIDWEST	44,281	4,140	9.3
SOUTH	62,591	5,484	8.8
WEST	36,991	2,859	7.7
HOUSEHOLD INCOME			
$75,000 OR MORE	21,409	1,931	9.0
$60,000 OR MORE	36,836	3,134	8.5
$50,000 OR MORE	53,155	4,845	9.1
$40,000 OR MORE	75,291	7,465	9.9
$30,000 OR MORE	102,396	9,984	9.8
$30,000—$39,999	27,105	2,519	9.3
$20,000—$29,999	30,317	2,685	8.9
$10,000—$19,999	29,855	2,031	6.8
UNDER $10,000	19,888	1,150	5.8
HOUSEHOLD SIZE			
1 PERSON	23,383	1,428	6.1
2 PEOPLE	59,547	4,872	8.2
3 OR 4 PEOPLE	72,643	7,118	9.8
5 OR MORE PEOPLE	26,884	2,432	9.0
CHILDREN			
NO CHILDREN IN HOUSEHOLD	109,702	8,840	8.1
CHILDREN UNDER 2 YEARS	15,048	1,272	8.5
2—5 YEARS	25,473	2,135	8.4
6—11 YEARS	34,011	3,119	9.2
12—17 YEARS	33,774	3,588	10.6
RESIDENCE OWNED	124,747	11,874	9.5
VALUE $70,000 OR MORE	69,554	6,908	9.9
VALUE LESS THAN $70,000	55,193	4,966	9.0

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets

TOTAL POPULATION WATCHING/ORDERING ITEMS FROM HOME SHOPPING PROGRAMS

Women, high school graduates, and people living in the south are most likely to watch, and purchase from, television home shopping programs.

	Total U.S. (000)	Watch Television Home Shopping Programs (000)	Percent	Bought Items from HSP in Last Three Months (000)	Percent
TOTAL ADULTS	182,456	28,553	15.6	6,727	3.7
MALES	87,118	11,140	12.8	2,480	2.8
FEMALES	95,338	17,413	18.3	4,247	4.5
18—24	25,530	4,674	18.3	1,035	4.1
25—34	44,118	7,430	16.8	1,466	3.3
35—44	37,521	5,937	15.8	1,233	3.3
45—54	25,346	4,023	15.9	1,174	4.6
55—64	21,009	3,179	15.1	1,055	5.0
65 OR OLDER	28,934	3,310	11.4	763	2.6
GRADUATED COLLEGE	35,347	4,649	13.2	1,196	3.4
ATTENDED COLLEGE	35,167	5,472	15.6	1,080	3.1
GRADUATED HIGH SCHOOL	70,823	12,283	17.3	3,049	4.3
DID NOT GRADUATE HIGH SCHOOL	41,119	6,149	15.0	1,402	3.4
PROFESSIONAL/MANAGER	31,819	4,309	13.5	1,057	3.3
TECHNICAL/CLERICAL SALES	39,581	7,192	18.2	1,837	4.6
PRECISION/CRAFT	14,839	2,135	14.4	472*	3.2
OTHER EMPLOYED	39,001	5,776	14.8	1,032	2.6
SINGLE	40,179	6,568	16.3	1,387	3.5
MARRIED	108,808	16,621	15.3	3,908	3.6
DIVORCED/SEPARATED/WIDOWED	33,469	5,364	16.0	1,432	4.3
PARENTS	60,655	10,561	17.4	2,273	3.7
NORTHEAST-CENSUS	38,593	6,000	15.5	1,681	4.4
MIDWEST	44,281	6,609	14.9	1,237	2.8
SOUTH	62,591	11,637	18.6	2,714	4.3
WEST	36,991	4,307	11.6	1,095	3.0
HOUSEHOLD INCOME					
$75,000 OR MORE	21,409	2,753	12.9	712	3.3
$60,000 OR MORE	36,836	4,991	13.5	1,338	3.6
$50,000 OR MORE	53,155	7,510	14.1	1,996	3.8
$40,000 OR MORE	75,291	11,116	14.8	2,904	3.9
$30,000 OR MORE	102,396	15,589	15.2	4,048	4.0
$30,000—$39,999	27,105	4,473	16.5	1,144	4.2
$20,000—$29,939	30,317	5,179	17.1	1,203	4.0
$10,000—$19,999	29,855	4,665	15.6	849	2.8
UNDER $10,000	19,888	3,120	15.7	627	3.2
HOUSEHOLD SIZE					
1 PERSON	23,383	3,183	13.6	822	3.5
2 PEOPLE	59,547	8,297	13.9	2,031	3.4
3 OR 4 PEOPLE	72,643	12,796	17.6	2,835	3.9
5 OR MORE PEOPLE	26,884	4,277	15.9	1,040	3.9
CHILDREN					
NO CHILD IN HOUSEHOLD	109,702	15,886	14.5	3,938	3.6
CHILDREN UNDER 2 YEARS	15,048	2,753	18.3	544*	3.6
2—5 YEARS	25,473	4,290	16.8	745	2.9
6—11 YEARS	34,011	5,984	17.6	1,336	3.9
12—17 YEARS	33,774	5,899	17.5	1,490	4.4
RESIDENCE OWNED	124,747	19,163	15.4	5,045	4.0
VALUE $70,000 OR MORE	69,554	10,002	14.4	3,012	4.3
VALUE LESS THAN $70,000	55,193	9,160	16.6	2,034	3.7

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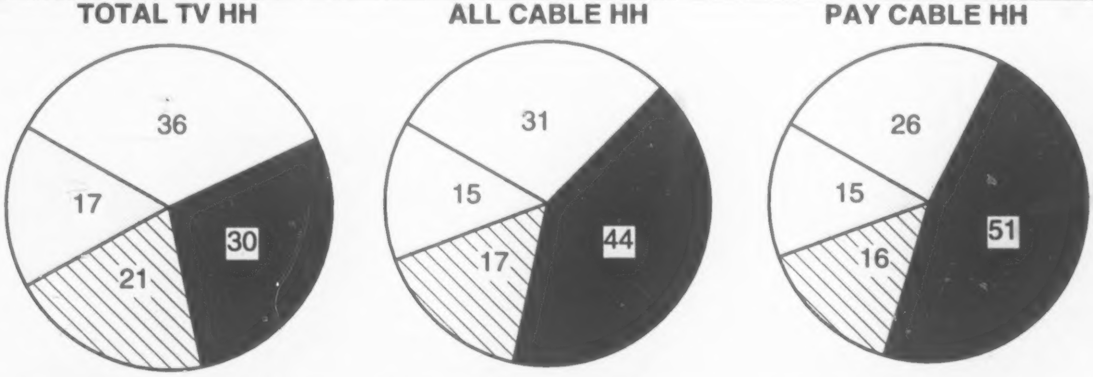
* Projection relatively unstable because of sample base—use with caution

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets

HOW TELEVISION VIEWERS DIVIDE THEIR TIME AMONG MAJOR PROGRAMMING SOURCES

These charts reflect the distribution of all television viewing (Mon-Sun, 24 hrs/day) among the major programming sources. For example, of all the viewing that takes place in cable households (center pie), 44% is to cable programming, 31% is to broadcast network, 15% is to affiliates (non-network programming) and 17% is to independents. Below the pie is a more detailed breakdown of viewership for each of these program sources.


TOTAL TV HH

ALL CABLE HH

PAY CABLE HH

☐	**BROADCAST NETWORK AFFILIATES**			
	NETWORK PROGRAMMING	%	%	%
	PRIMETIME	15	13	12
	DAYTIME	10	9	6
	EARLY MORNING	3	2	2
	LATE NIGHT	3	3	2
	WEEKEND MORNING	1	1	1
	WEEKEND DAY	4	3	3
	TOTAL	36	31	26
░	NON-NETWORK PROGRAMMING	17	15	15
	TOTAL AFFILIATES	53	46	41
■	**CABLE PROGRAMMING**			
	BASIC	24	35	34
	PAY	6	9	17
	TOTAL	30	44	51
▨	**INDEPENDENTS**			
	LOCAL	15	11	11
	DISTANT	3	2	1
	SUPERSTATIONS*	3	4	4
	TOTAL	21	17	16
	PUBLIC			
	TOTAL	3	2	2

*Superstation—a local station that sends its signal via satellite to subscribing cable systems throughout the country

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1992

CABLE SUBSCRIBER DEMOGRAPHICS VS. USERS OF OTHER MEDIA

Cable viewers are younger, better educated, more affluent, hold higher level employment, and live in larger households. The following statistics are based on a 1991 index of the total population.

HOUSEHOLD INCOME	TOTAL U.S.	CABLE NETWORK*	PRIME TIME TV	RADIO	NEWS-PAPER	MAGA-ZINE
$75,000+	100	126	90	107	115	107
$40,000—$75,000	100	116	99	107	109	105
$20,000—$40,000	100	100	102	100	102	101
Under $20,000	100	76	102	91	84	92
EDUCATION						
COLLEGE GRADUATE	100	113	97	105	110	106
ATTENDED COLLEGE	100	105	98	105	108	106
HS GRADUATE	100	104	101	101	102	102
NOT HS GRADUATE	100	78	101	89	79	85
OCCUPATION						
EXECUTIVE/MANAGERIAL/ ADMINISTRATIVE	100	123	95	106	112	107
PROFESSIONAL	100	107	95	107	112	107
EMPLOYED FULL TIME	100	106	98	106	103	103
NOT EMPLOYED	100	86	105	87	92	94
HOUSEHOLD SIZE						
3 + PERSONS	100	105	99	104	100	102
2	100	101	103	96	102	99
1	100	75	100	93	95	96
AGE						
18—49	100	103	98	107	100	103
25—54	100	105	99	105	102	102
55+	100	92	105	84	100	94

*Any viewing past week.

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1992.

NATIONAL GROWTH IN CABLE SUBSCRIBERS AND HOUSEHOLD PENETRATION 1981—1991

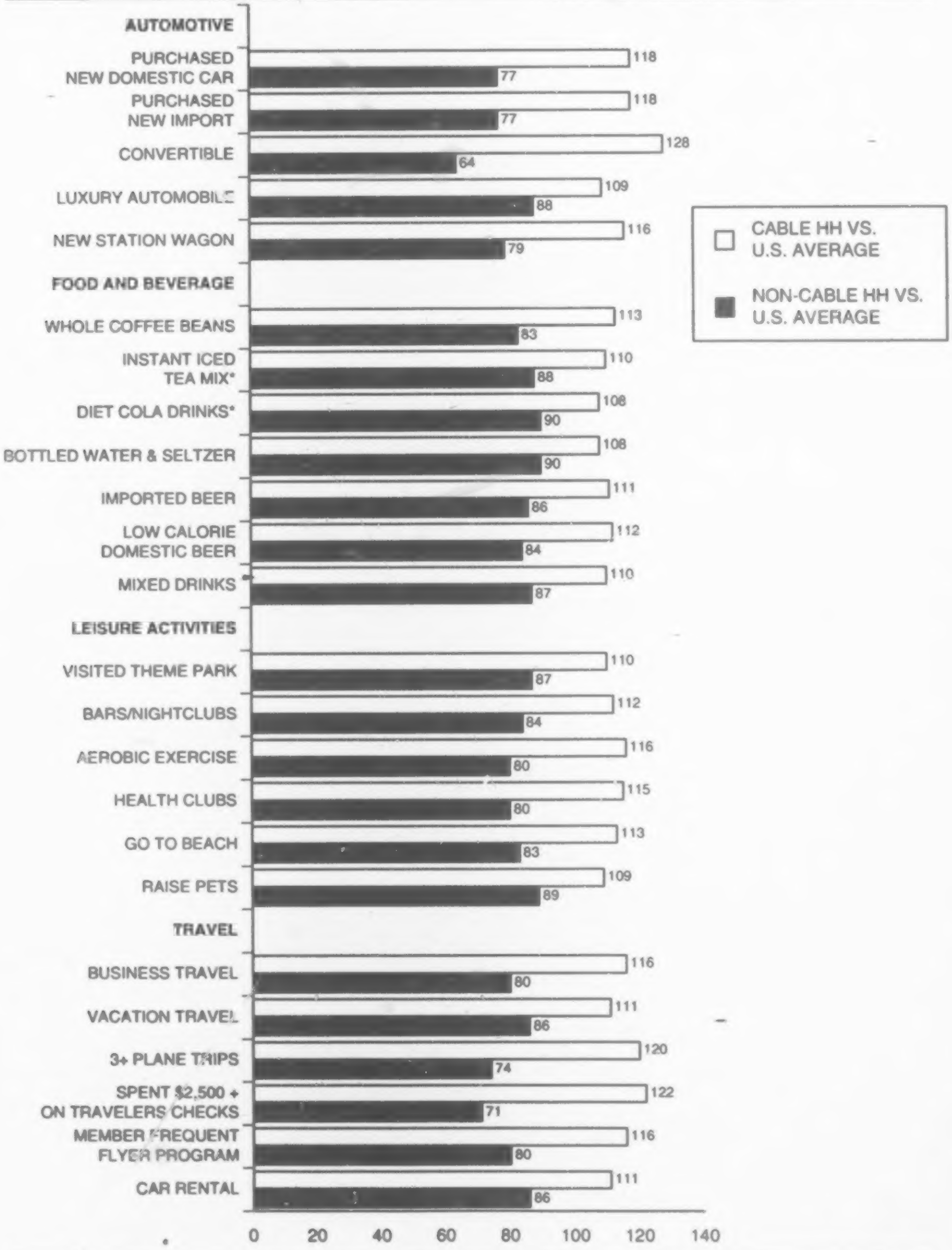
Cable penetration has increased by over 0.9 million homes from November 1990 to November 1991.

YEAR	CABLE SUBSCRIBERS (000)	HOUSEHOLD PENETRATION %	PAY SUBSCRIBERS (000)
1991	55,786	60.6	26,156
1990	54,871	59.0	26,906
1989	52,564	57.1	28,643
1988	48,637	53.8	28,114
1987	44,971	50.5	27,600
1986	42,237	48.1	23,709
1985	39,873	46.2	24,165
1984	37,291	43.7	22,375
1983	33,794	40.5	21,151
1982	29,341	35.0	17,311
1981	23,219	28.3	11,842

Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1992.

CONSUMPTION OF SELECT PRODUCTS AND SERVICES IN CABLE HOUSEHOLDS VS. NON-CABLE HOUSEHOLDS

All products had a higher rate of consumption in cable vs. non-cable households.

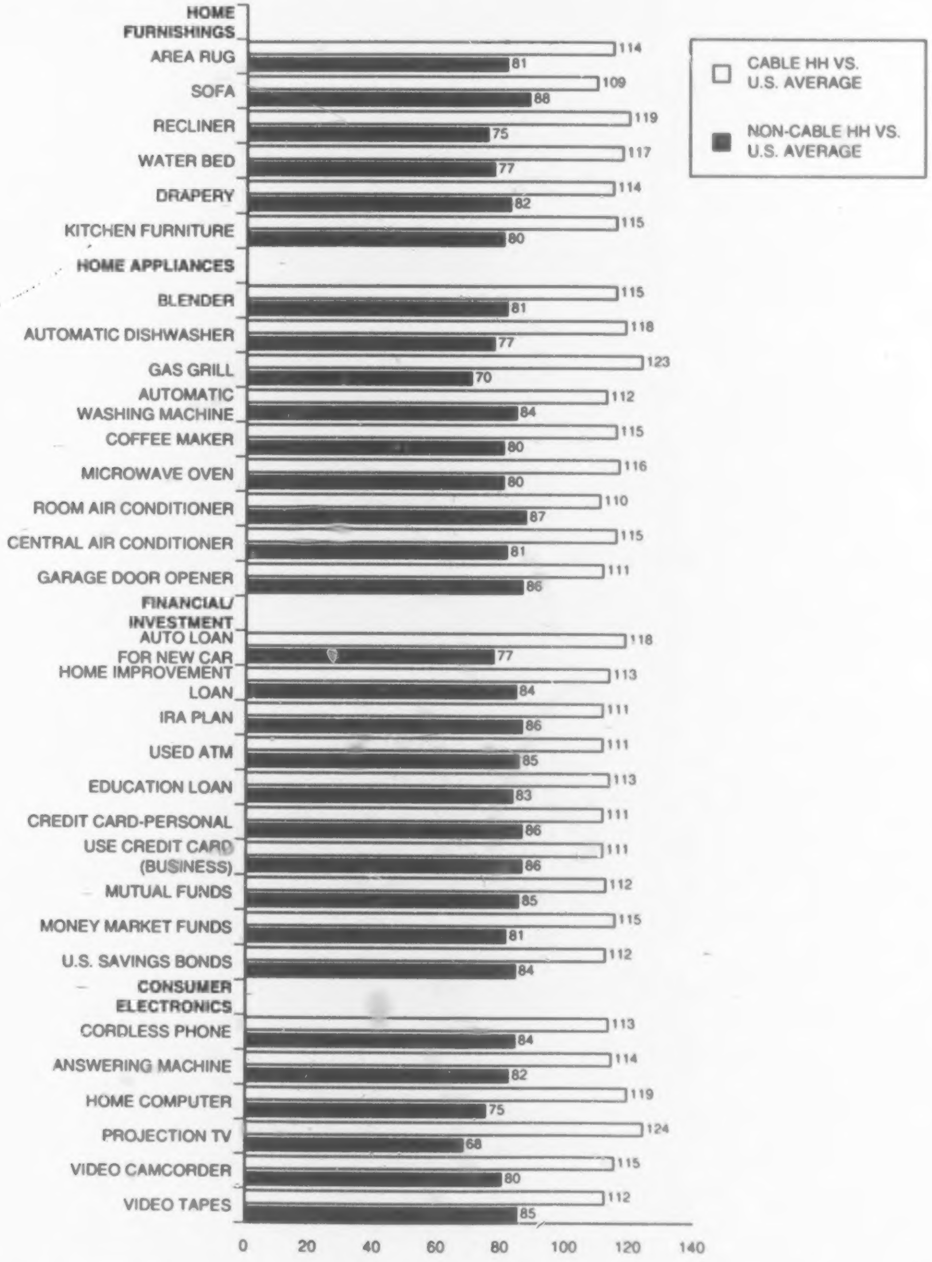


*DENOTES HEAVY USE

(Continued)

CONSUMPTION OF SELECT PRODUCTS AND SERVICES IN CABLE HOUSEHOLDS VS. NON-CABLE HOUSEHOLDS

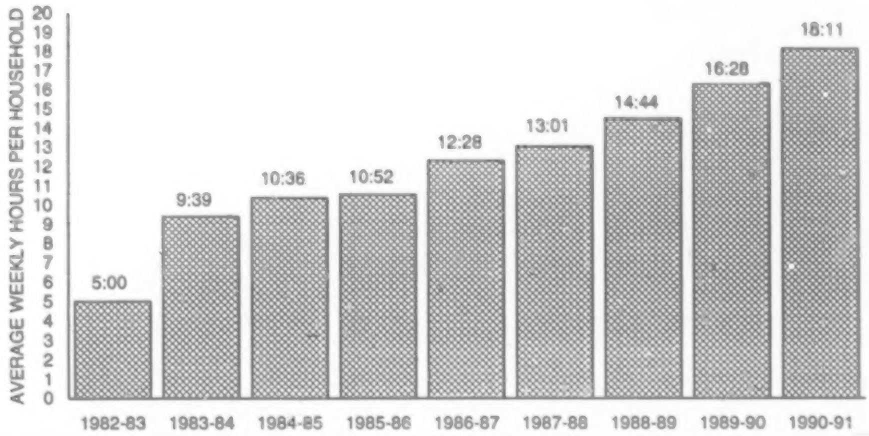
(CONTINUED FROM PAGE 172)



Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1992

CABLE TV VIEWING HOURS PER HOUSEHOLD PER WEEK

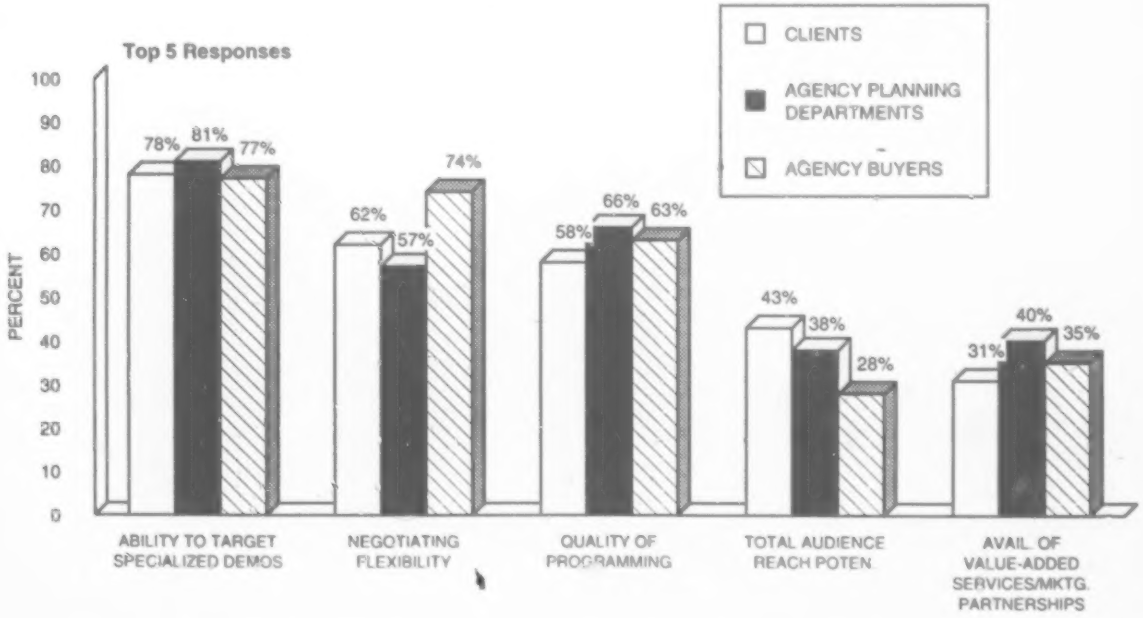
CABLE TV VIEWING HOURS HAS RISEN NEARLY 50% IN FIVE YEARS



Source: Cabletelevision Advertising Bureau, Inc., Cable TV Facts, 1992.

KEYS TO CABLE NETWORK SELECTION

Myers Marketing & Research conducted the 1991 survey on Television Advertising Effectiveness and Value in 1991. The 16-page mailed survey was completed by both advertising agency media executives and client marketing, advertising or media management.



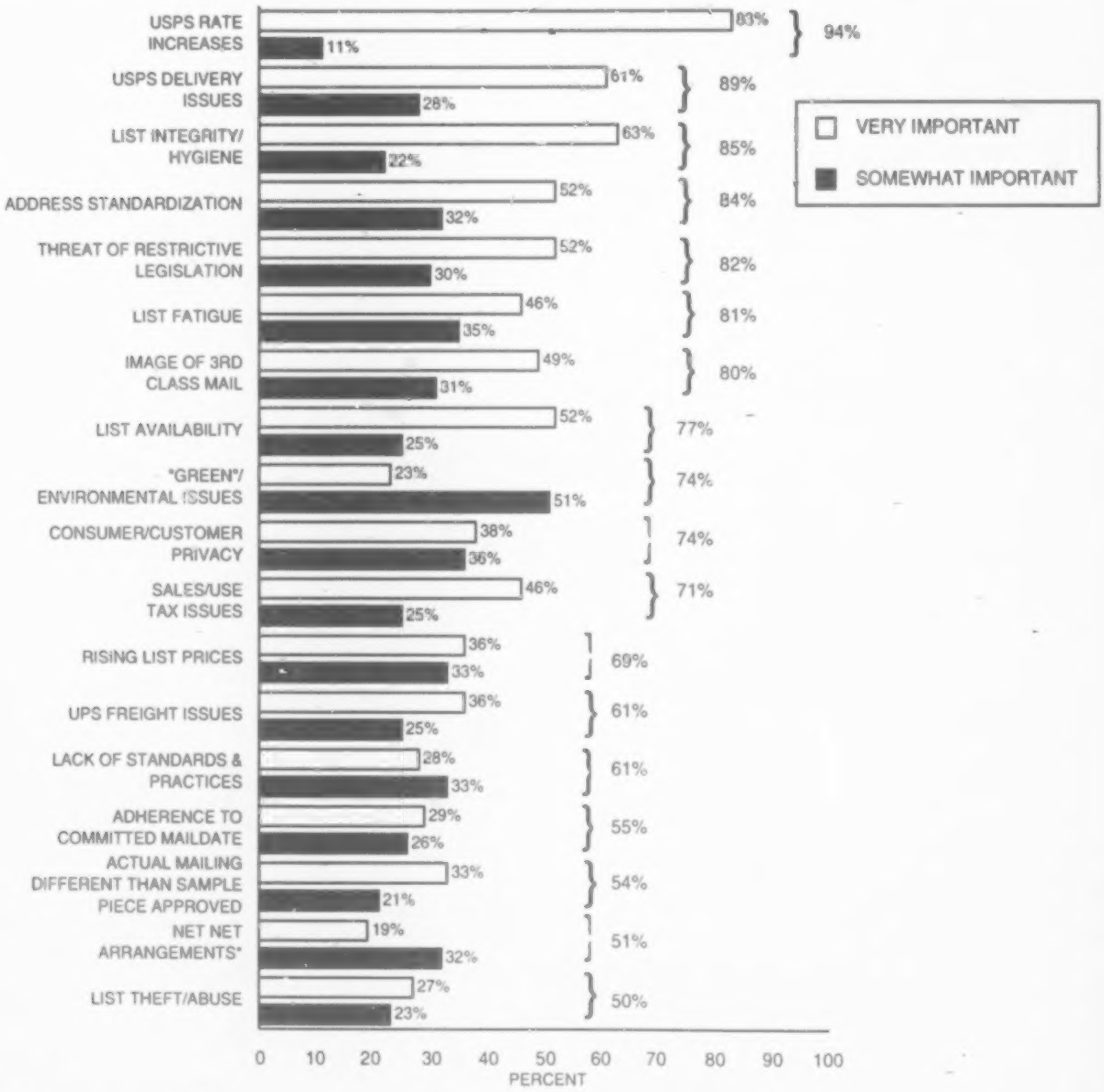
Source: Myers Marketing & Research, 1991

LISTS/DATABASES

TRENDS

IMPORTANT ISSUES FACING LIST INDUSTRY IN 1991

Top issues cited as "very/somewhat important" were those pertaining to the postal service, namely USPS rate increases and USPS delivery issues. List integrity/hygiene, and address standardization also emerged in 1991 as vital issues.

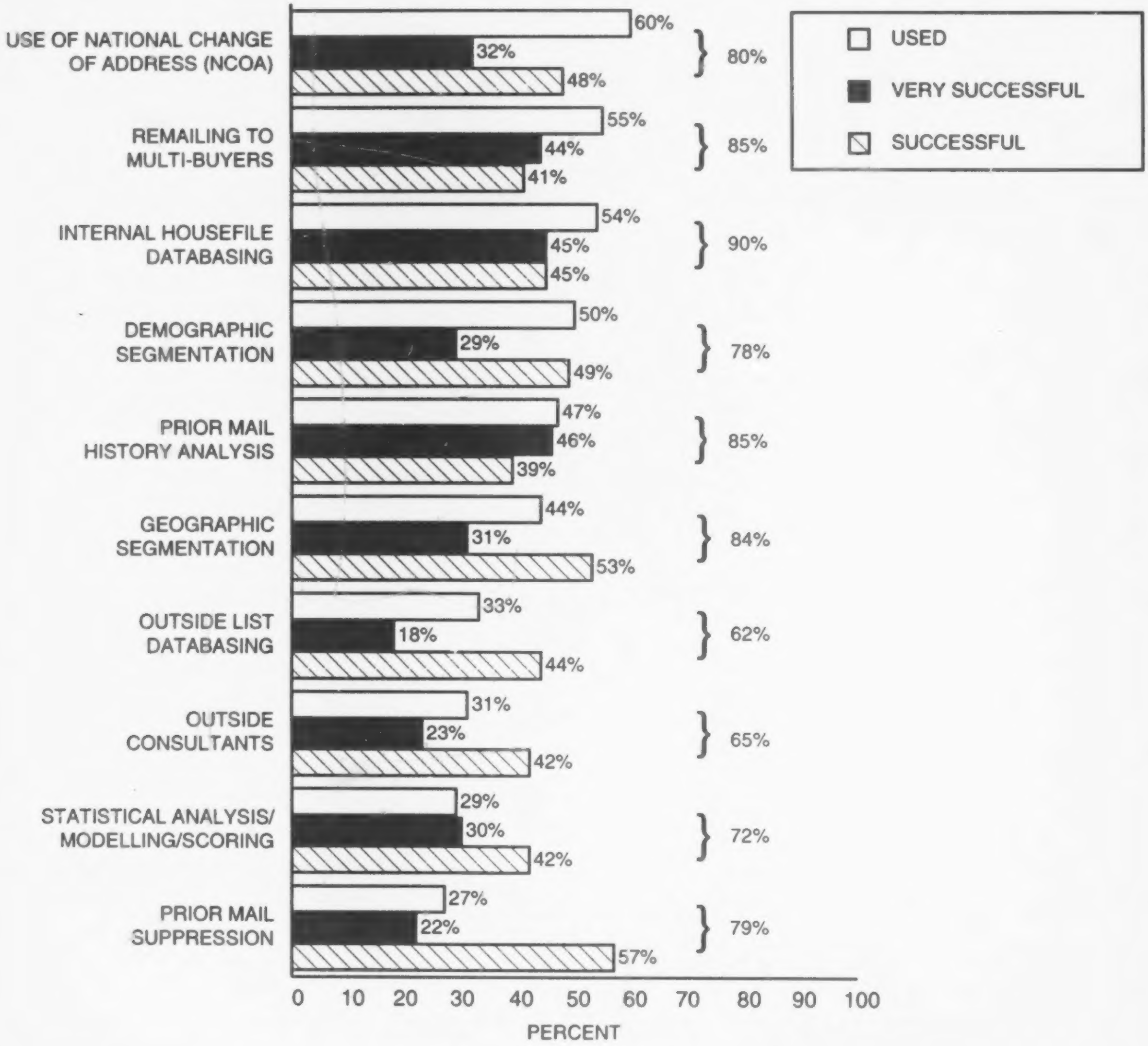


*Net Net Arrangement—an agreement between list owner and list user in which the list owner agrees to accept payment for only names mailed rather than the total names shipped, plus a small running charge for names provided but not mailed. Typically a minimum is set (85% is frequently used).

Source: DMA List Council/Research Department: 12th Annual List Usage Survey, 1992

TOP TEN LIST TECHNIQUES USED TO IMPROVE UP-FRONT RESPONSE AND BACK-END PERFORMANCE

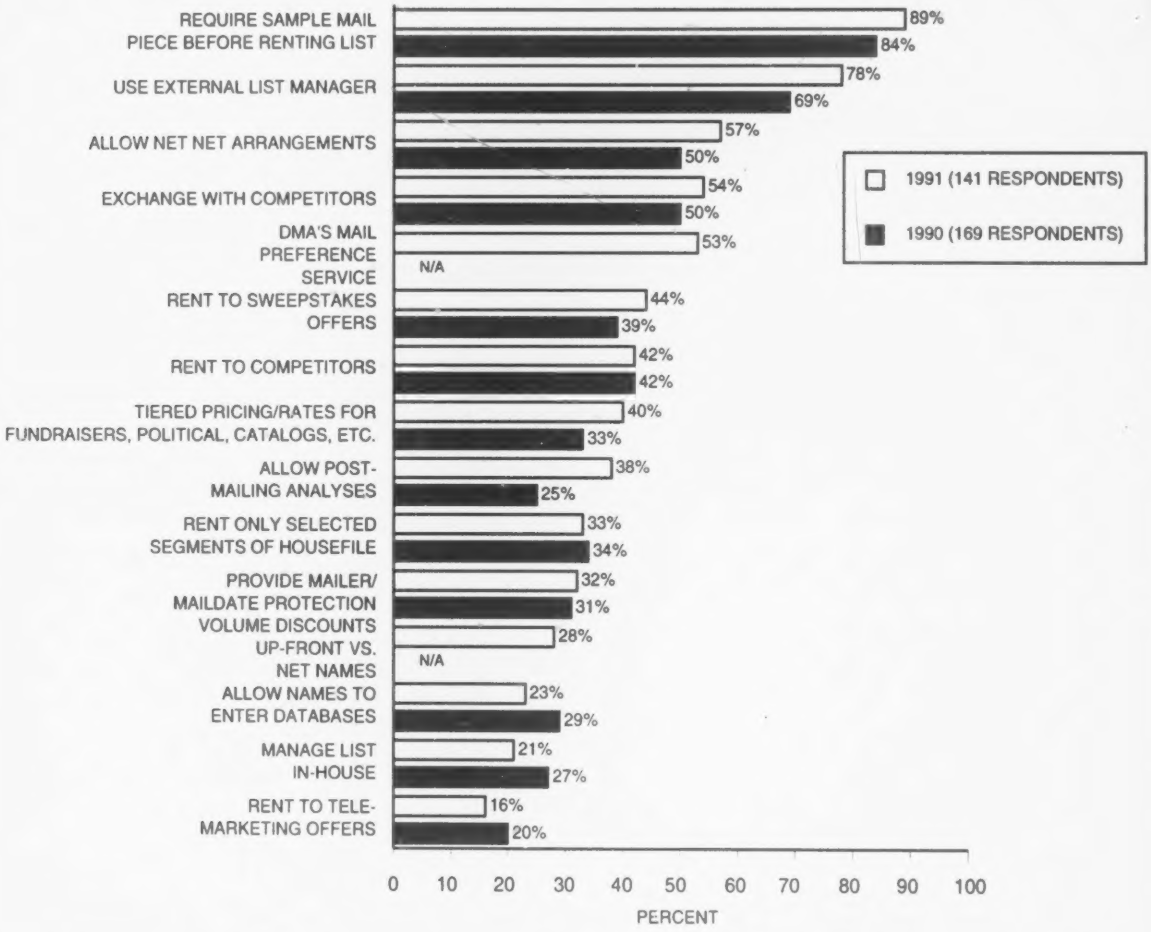
Respondents are relying primarily on use of National Change of Address and remailing to multi-buyers to improve up-front response and back-end performance.



Source: DMA List Council/Research Department: 12th Annual List Usage Survey, 1992.

TRENDS IN LIST RENTAL PRACTICES UTILIZED: 1991 vs. 1990

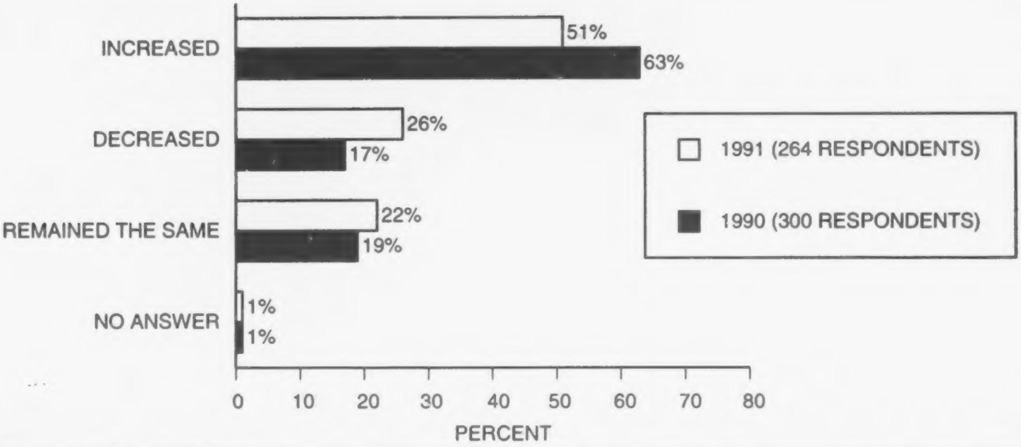
Requiring a sample mail piece before renting a list, using an external list manager and allowing net net arrangements were the top list practices used. There was an increase in most list practices utilized compared to 1990.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992

TRENDS IN OVERALL MAILING QUANTITIES: 1991 vs. 1990

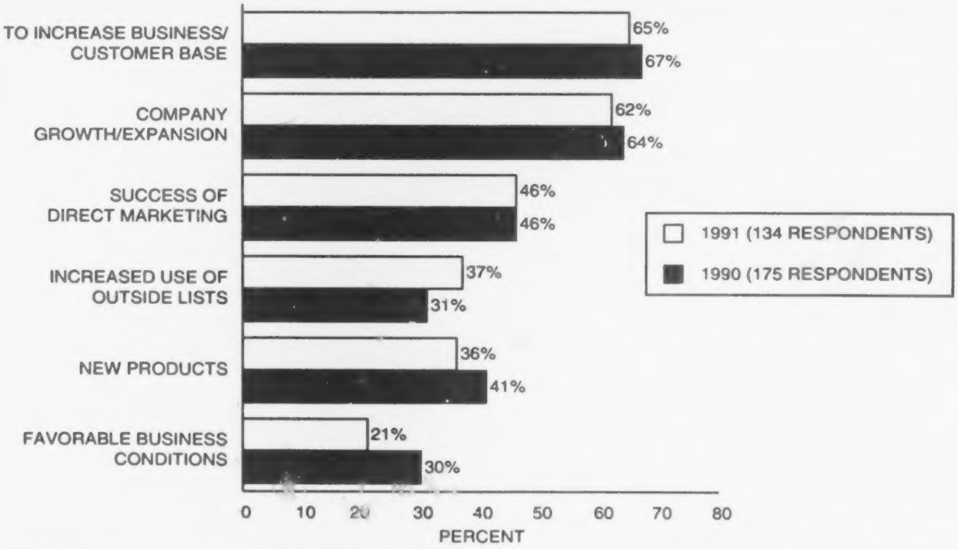
A lower proportion of respondents indicate an increase in mailing quantities compared to 1990.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR MAILING QUANTITIES INCREASING: 1991 vs. 1990

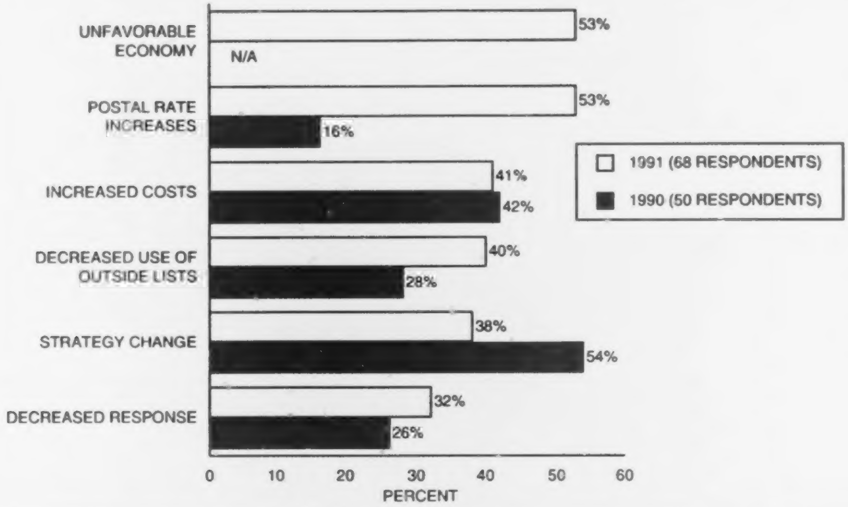
According to respondents, mailing quantities increased primarily because of a desire to increase business/customer base and company growth/expansion.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR MAILING QUANTITIES DECREASING: 1991 vs. 1990

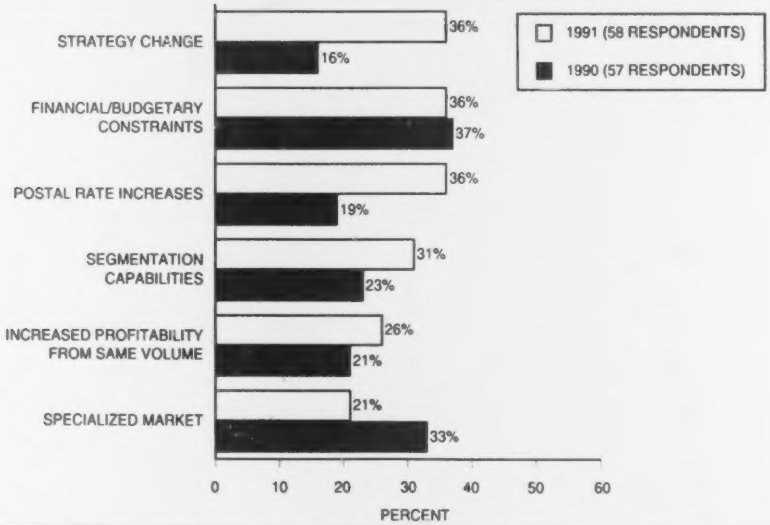
An unfavorable economy was the top reason cited for decreased mailing quantities. Postal rate increases moved from 7th place in 1990 to 2nd place in 1991.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR MAILING QUANTITIES STAYING STABLE: 1991 vs. 1990

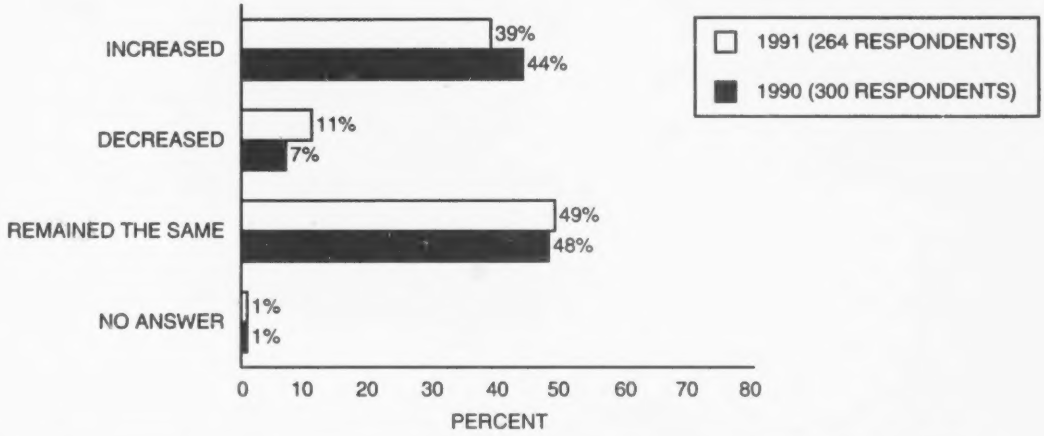
Strategy change (from 6th to 1st place), financial/budgetary constraints, and postal rate increases (from 5th to 3rd) were cited as the top reasons for mailing quantities remaining the same.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TRENDS IN STATUS OF MAILING FREQUENCY: 1991 vs. 1990

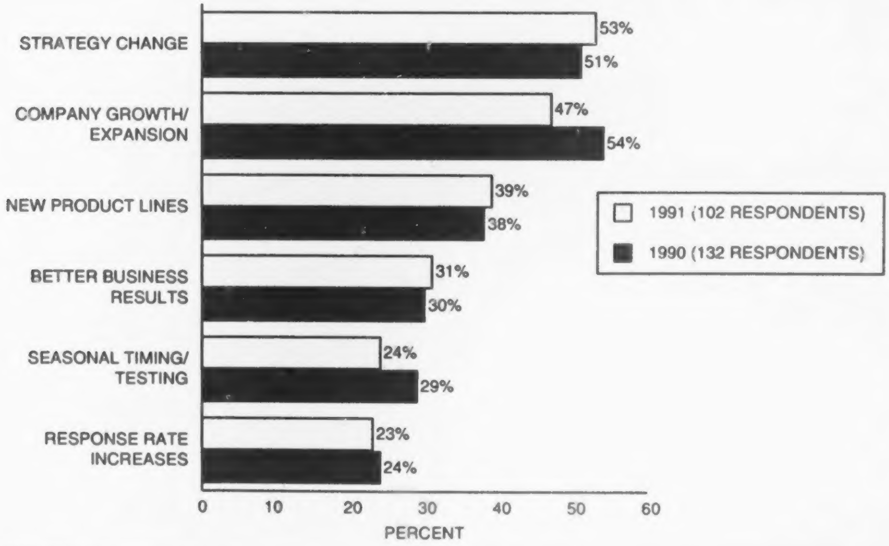
The rate of increased mailing frequency fell by 5% from 1990, while the rate of decreased mailing frequency rose by 4%.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR INCREASES IN MAILING FREQUENCY: 1991 vs. 1990

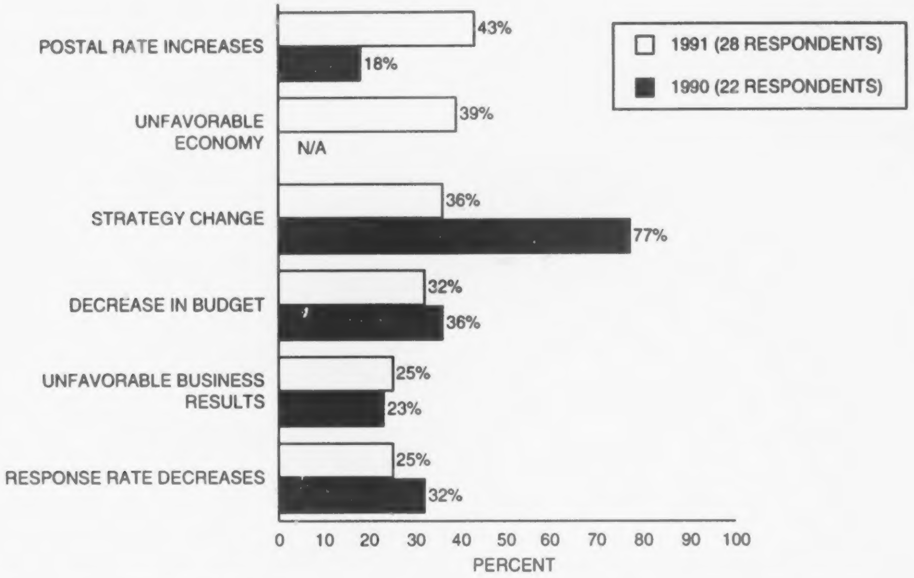
Strategy change moved up to the top reason cited for increases in mailing frequency.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992

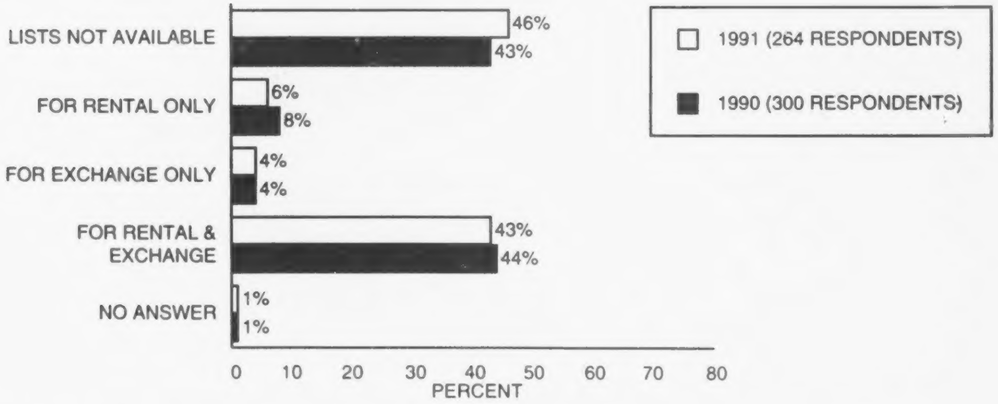
TOP SIX REASONS FOR DECREASES IN MAILING FREQUENCY: 1991 vs. 1990

Postal rate increases moved up from 6th to 1st place as the top reason cited for decreases in mailing frequency.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

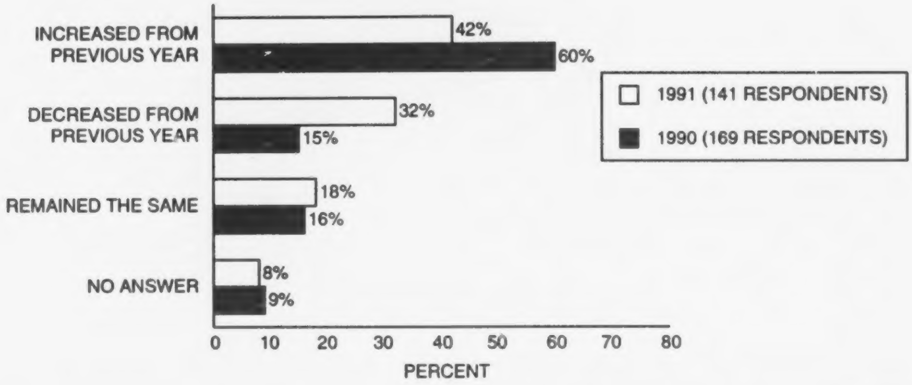
TRENDS IN LIST RENTAL PRACTICES: LIST AVAILABILITY: 1991 vs. 1990



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TRENDS IN LIST RENTAL INCOME: 1991 vs. 1990

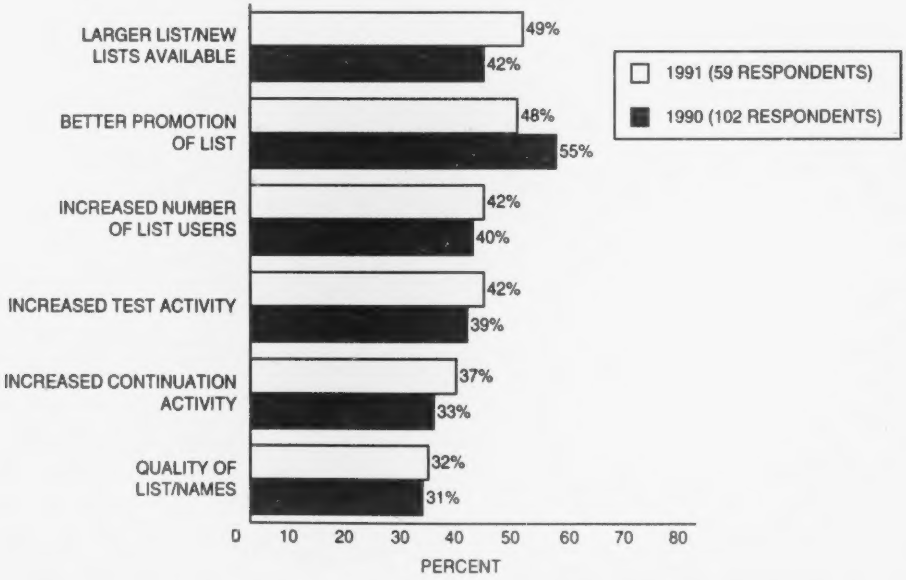
The proportion of respondents citing a decrease in list rental income more than doubled from 1990.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR INCREASED LIST RENTAL INCOME: 1991 vs. 1990

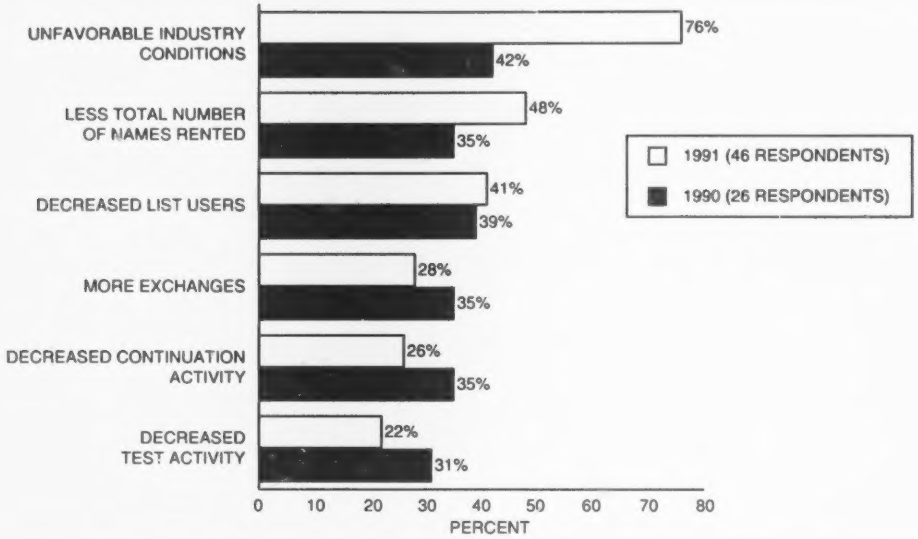
Larger lists/new lists available have moved up to the top reasons cited for increased list rental income.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

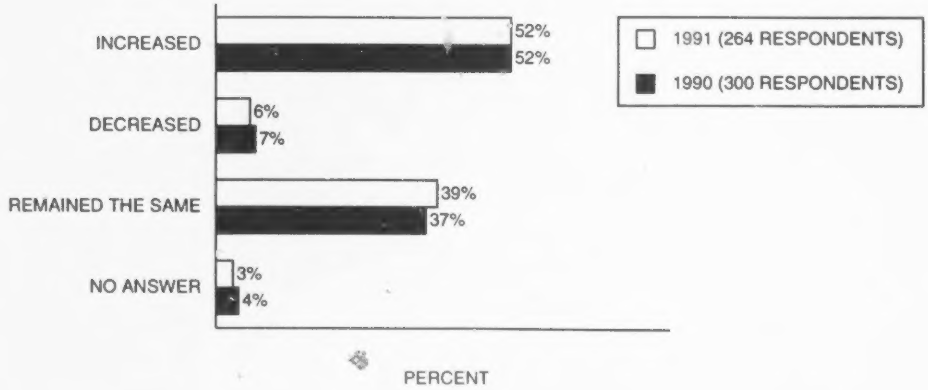
TOP SIX REASONS FOR DECREASED LIST RENTAL INCOME: 1991 vs. 1990

Unfavorable industry conditions remains the top reason for decreased list rental income, and less total number of names rented has jumped from 5th to 2nd place.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

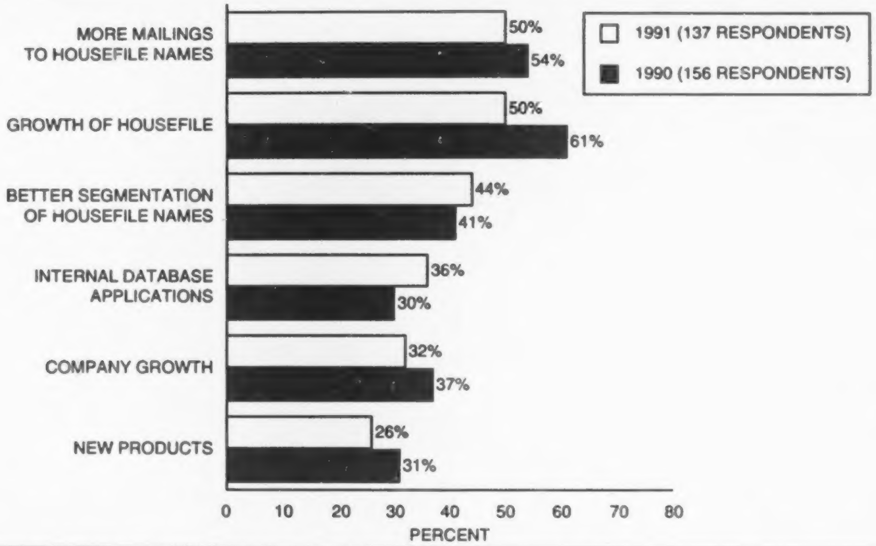
TRENDS IN HOUSEFILE USAGE: 1991 vs. 1990



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR INCREASED HOUSEFILE USAGE: 1991 vs. 1990

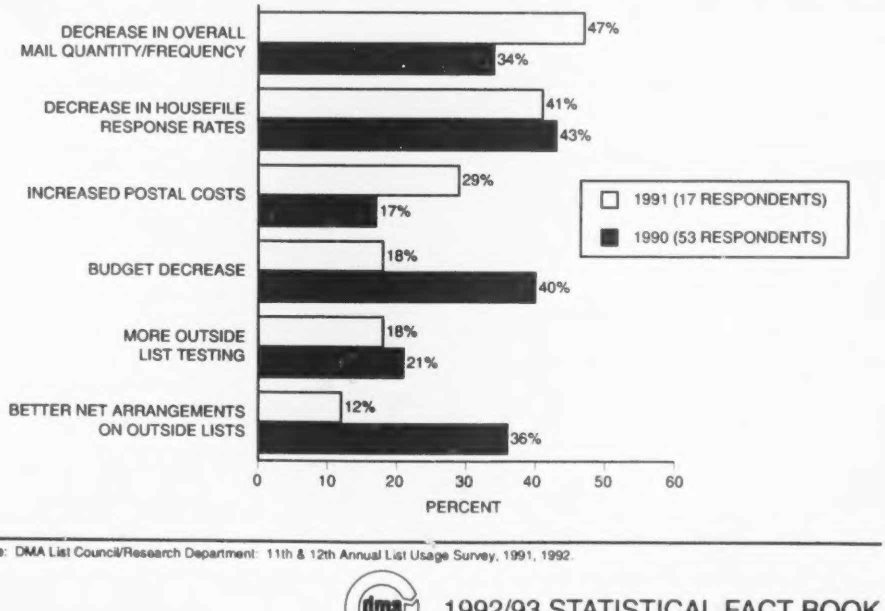
More mailings to housefile names and growth of housefile have exchanged rankings for 1st and 2nd place.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

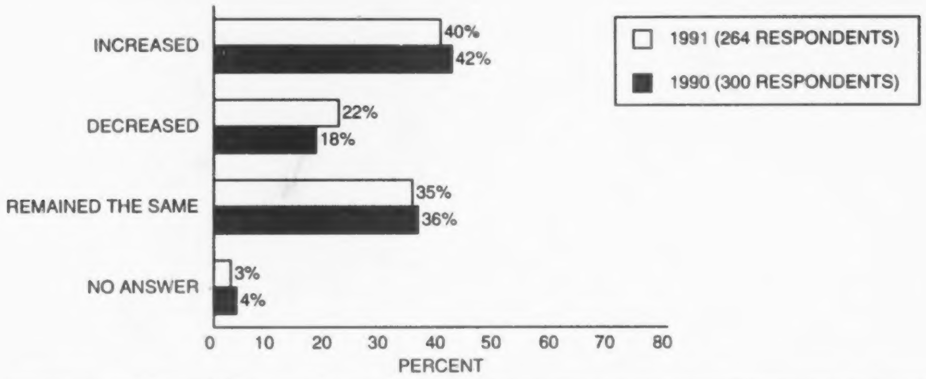
TOP SIX REASONS FOR DECREASED HOUSEFILE USAGE: 1991 vs. 1990

Decrease in overall mail quantity was cited as the top reason for decreased housefile usage in 1991, up from 3rd.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

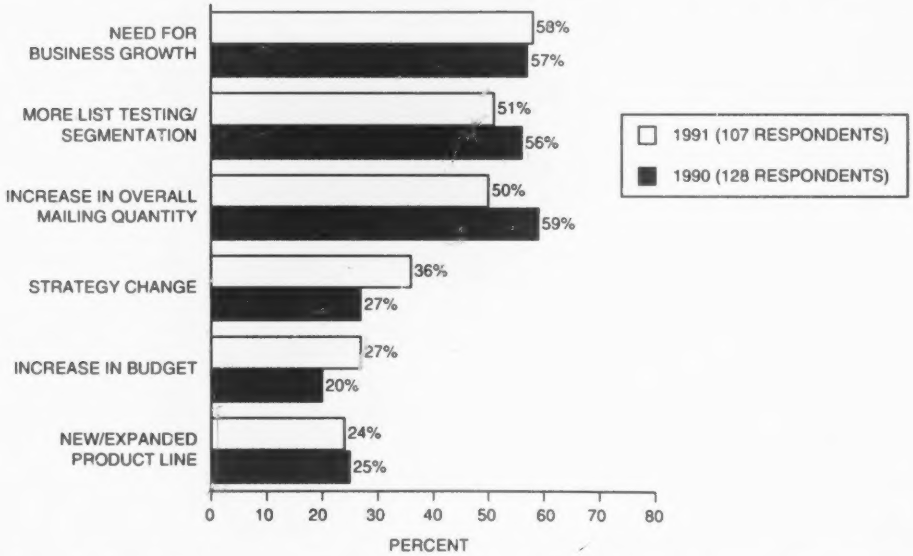
TRENDS IN OUTSIDE NAME USAGE: 1991 vs. 1990



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR INCREASES IN OUTSIDE NAME USAGE: 1991 vs. 1990

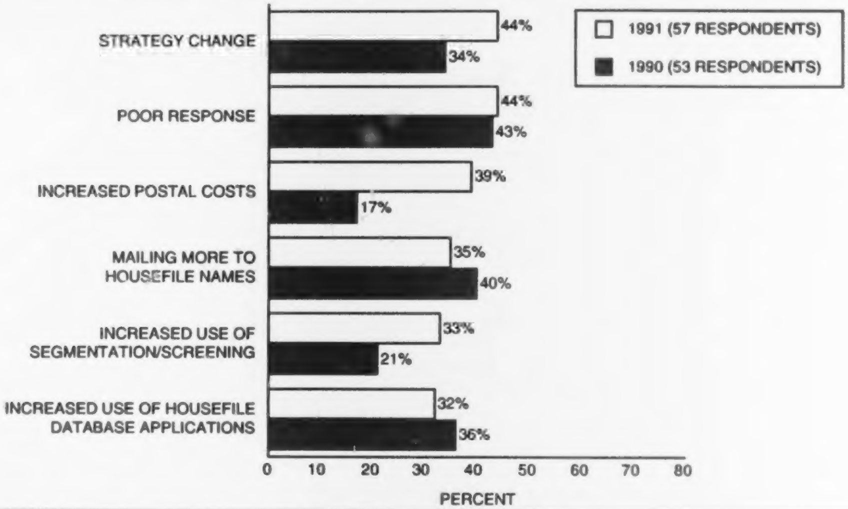
Need for business growth moved from 2nd to become the top reason cited for increases in outside name usage.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR DECREASES IN OUTSIDE NAME USAGE: 1991 vs. 1990

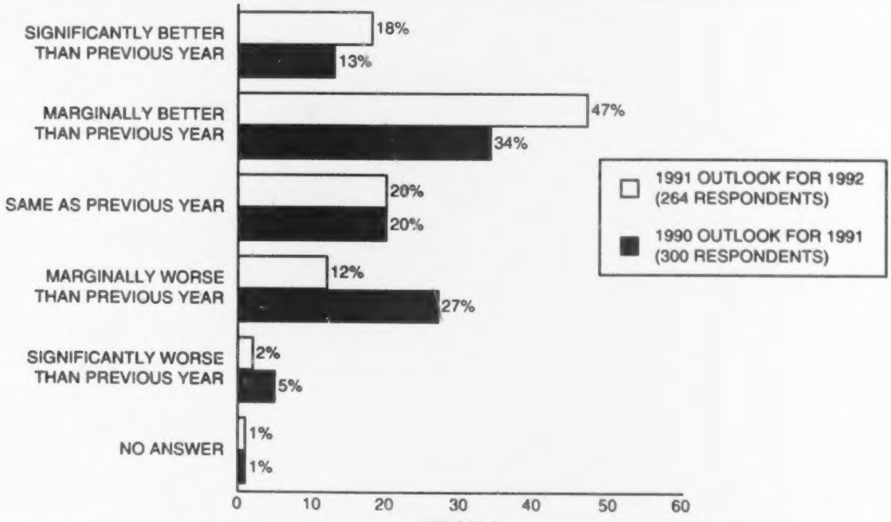
Strategy change jumped from 4th to 1st place for 1991. Only 17% indicated increased postal costs in 1990, but 39% noted this reason in 1991.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

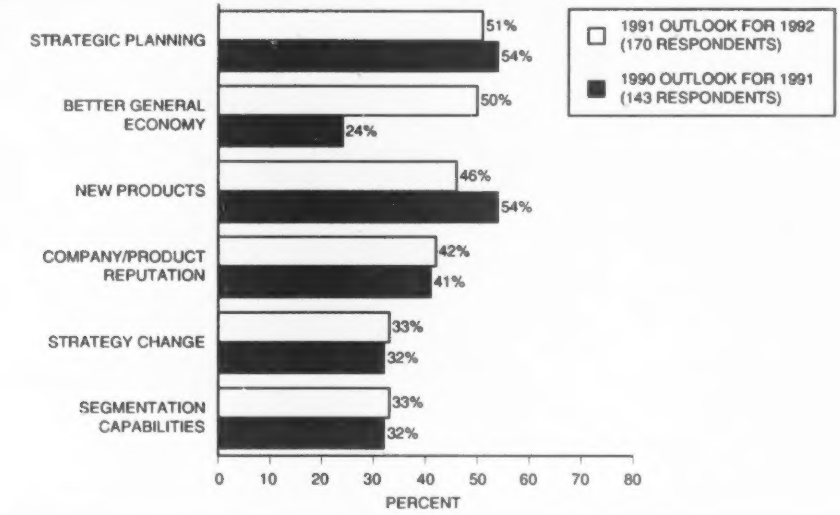
MARKET OUTLOOK FROM A LIST USER'S PERSPECTIVE

Respondents citing a "marginally/significantly" better outlook for 1992 has increased compared to last year's panel (65% vs. 47%, respectively).



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992

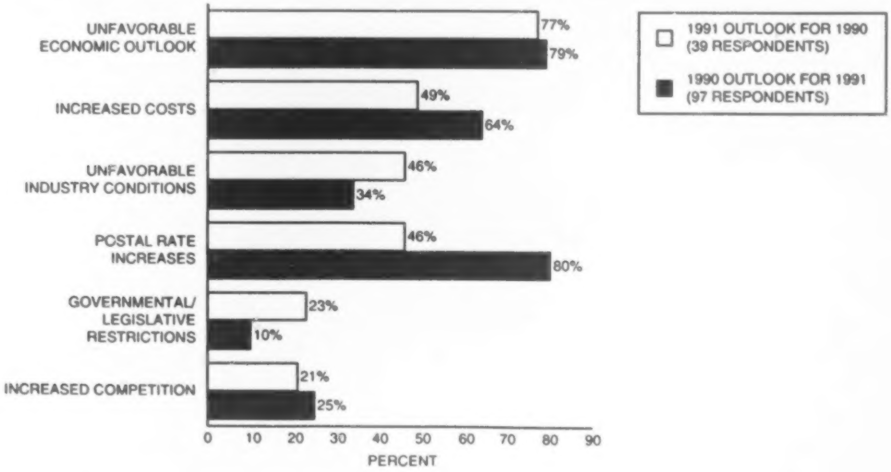
TOP SIX REASONS FOR MAILING LIST USERS PREDICTING BETTER BUSINESS CONDITIONS



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992.

TOP SIX REASONS FOR MAILING LIST USERS PREDICTING WORSE BUSINESS CONDITIONS

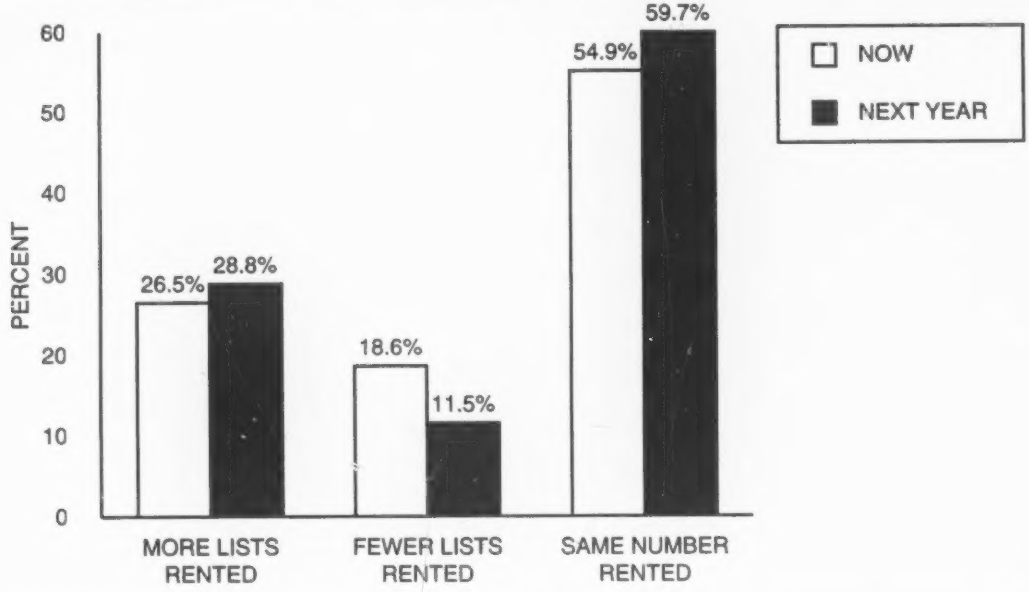
The two top reasons for citing worse business conditions are an unfavorable economic outlook and increased costs.



Source: DMA List Council/Research Department: 11th & 12th Annual List Usage Survey, 1991, 1992

USE OF LISTS: CURRENT vs. PLANNED

Direct Magazine conducted this "Forecast 92'" survey among 2,000 direct marketers (from an nth name selection from *Direct's* circulation lists, and the circulation list of *Inside Media*, a sister publication). A 30.8% response rate was achieved.



Source: *Direct Magazine*, 1991.

TYPES OF LISTS USED

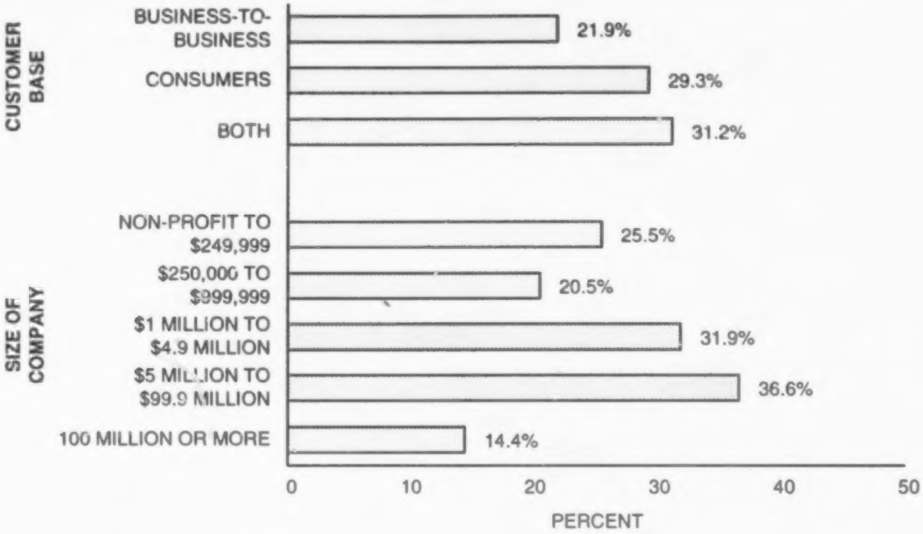
Keeping in mind the huge numbers to be found in compiled lists, it's no surprise to see them at the top. That's where the *Fortune* 500 companies generally go both for business-to-business and consumer names.

	TOTAL	BUSINESS TO BUSINESS MARKETERS	CONSUMER MARKETERS	SELL TO BOTH
COMPILED	63.4%	76.7%	48.4%	63.0%
RESPONSE (MAIL ORDER)	49.0	35.6	57.1	57.1
SUBSCRIBER	48.6	44.8	50.0	50.0
LIFESTYLE	16.9	2.5	28.6	21.7
OTHER	6.6	8.6	7.1	4.3

Source: *Direct Magazine*, 1991.

PERCENTAGE OF COMPANIES THAT RENT THEIR CUSTOMER LIST

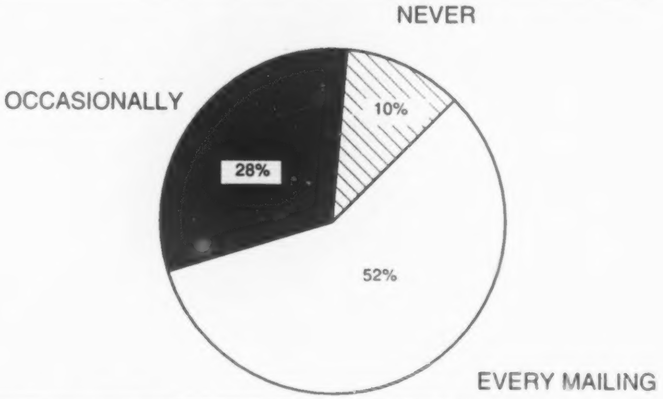
A lot of companies are keeping their lists of customers to themselves, especially the big ones. Considering the potential revenue stream that list rental represents, the numbers appear low.



Source: *Direct Magazine*, 1991.

USE OF LISTS FROM OUTSIDE BROKERS/COMPANIES
HOW OFTEN DO YOU RENT LISTS FROM OUTSIDE BROKERS/COMPANIES?

The New England Mail Order Association conducted this survey in early 1991 among 500 national catalogers drawn from the NEMOA membership. An 11.6% response was achieved.



Source: New England Mail Order Association, 1991

LIST SERVICES/ACTIVITIES: IN-HOUSE VS. SERVICE BUREAU

	ACTIVITY		RESPONSIBILITY		
	Current	Planned	List Broker Service Bureau	In House	Printer
List enhancement/overlays	40%	14%	26%	20%	0
Merge/purge	81%	5%	71%	26%	3%
Address improvement/correction with postal files	78%	12%	69%	22%	9%
Zip code pre-sorting	78%	10%	53%	10%	19%
Pre bar code printing (letter mail)	9%	20%	5%	9%	17%
Ink jet preparation	62%	7%	22%	5%	45%
Label generation	47%	3%	20%	22%	10%
Selective binding	41%	10%	7%	—	36%

Source: New England Mail Order Association, 1991.

MARKETS

- CONSUMER DEMOGRAPHICS
- BUSINESS-TO-BUSINESS
- FINANCIAL SERVICES
- CIRCULATION
- NON-PROFIT
- SPECIALIZED PRODUCTS/SERVICE MARKETS

• CONSUMER DEMOGRAPHICS

TRENDS

ANNUAL EXPENDITURES BY AGE: 1990

		AGE						
Expense	Total Population	Less than 25	25—34	35—44	45—54	55—64	65—74	75 & over
Income before taxes	31,889	14,089	32,325	41,208	43,451	35,309	21,501	15,435
Average Annual Expenditures	28,369	16,518	28,107	35,579	36,996	29,244	20,895	15,448
Food	4,296	2,761	4,100	5,380	5,490	4,430	3,305	2,406
Alcoholic Beverages	293	318	365	370	324	254	166	71
Housing	8,886	4,845	9,349	11,354	10,719	8,610	6,591	5,527
Shelter	5,032	3,025	5,667	6,528	6,130	4,390	3,339	2,857
Utilities, fuels, and public services	1,890	906	1,684	2,153	2,357	2,160	1,838	1,515
Household operations and furnishings	1,557	736	1,631	2,180	1,748	1,572	1,051	882
Housekeeping supplies	406	178	368	494	483	488	362	273
Apparel and services	1,617	1,034	1,571	2,310	2,165	1,557	972	489
Transportation								
Vehicles	2,129	1,591	2,421	2,523	2,967	2,014	1,163	921
Gasoline and motor oil	1,047	722	1,080	1,245	1,391	1,134	792	396
Other transportation expenses	1,946	1,185	1,914	2,313	2,692	2,151	1,511	815
Health care	1,480	403	981	1,415	1,597	1,791	2,197	2,223
Retirement, pensions, social security	2,592	972	2,761	3,700	3,847	2,958	1,071	261
Other Expenditures	4,080	2,687	3,566	4,966	5,804	4,345	3,127	2,338
Personal Taxes	2,952	843	2,954	4,471	4,070	3,507	1,378	829

Source: U.S. Bureau of Labor Statistics, 1992.

TOTAL POPULATION, BY SEX, RACE, AND AGE: 1990
(IN THOUSANDS)

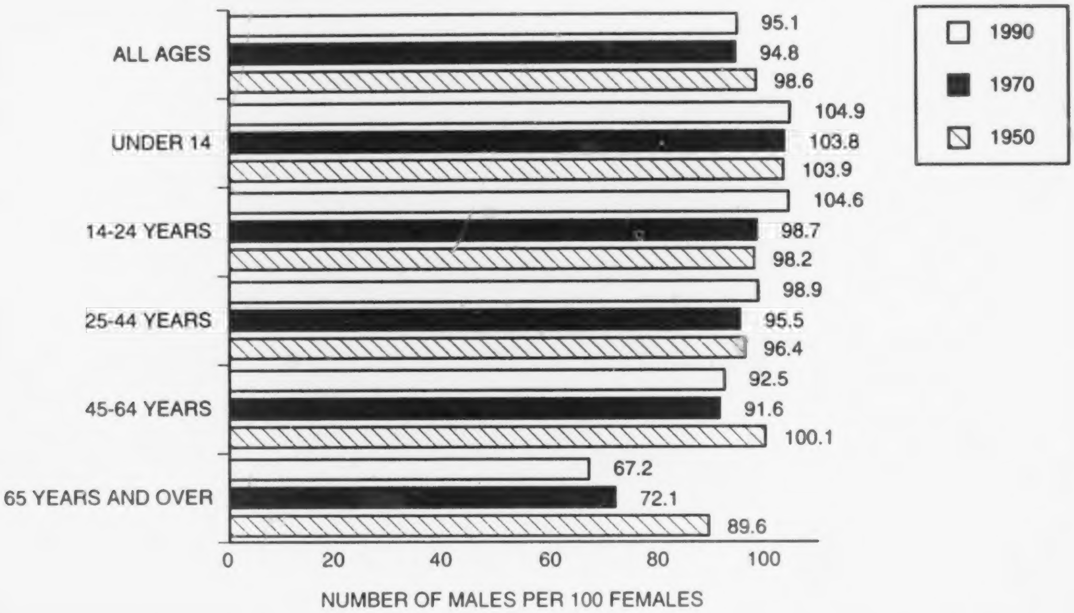
Age	Total	Male	Female	White	Black	Hispanic*
Total	252,886	122,431	129,257	199,686	29,986	22,354
Under 5 years old	19,222	9,836	9,386	13,649	2,786	2,388
5–9 years old	18,237	9,337	8,900	13,616	2,671	2,194
10–14 years old	17,671	9,051	8,620	12,854	2,602	2,002
15–19 years old	17,242	8,868	8,376	13,343	2,658	2,054
20–24 years old	19,372	9,931	9,440	14,524	2,579	2,304
25–29 years old	20,844	10,502	10,341	16,639	2,708	2,341
30–34 years old	22,242	11,107	11,135	17,352	2,682	2,062
35–39 years old	20,573	10,225	10,349	16,082	2,337	1,661
40–44 years old	18,779	9,282	9,498	14,506	1,876	1,284
45–49 years old	14,101	6,913	7,188	11,588	1,406	954
50–54 years old	11,646	5,657	5,989	9,505	1,179	756
55–59 years old	10,423	4,967	5,436	8,968	1,033	639
60–64 years old	10,582	4,945	5,637	9,211	962	554
65–69 years old	10,037	4,491	5,546	N/A	N/A	N/A
70–74 years old	8,242	3,531	4,712	N/A	N/A	N/A
75–79 years old	6,279	2,482	3,797	N/A	N/A	N/A
80–84 years old	4,035	1,406	2,629	N/A	N/A	N/A
85 years old and over	3,160	881	2,279	N/A	N/A	N/A
Median age (years)	33.1	31.9	34.3	N/A	N/A	N/A

*Persons of Hispanic origin may be of any race.
Note: Male/Female population numbers are for 1991; Race population is for 1990.

Source: U.S. Bureau of the Census, 1992.

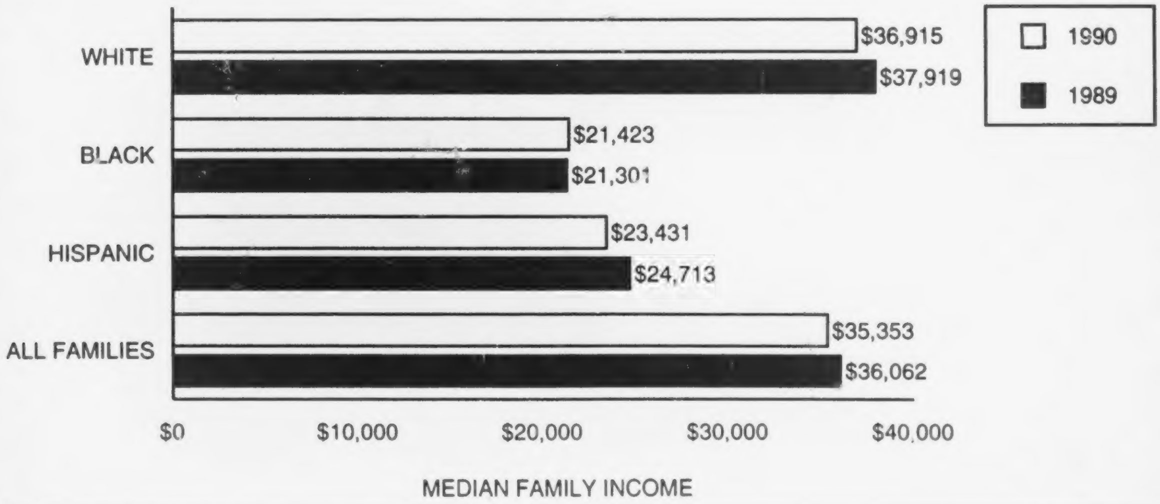
RATIO OF MALES TO FEMALES BY AGE GROUP

NUMBER OF MALES PER 100 FEMALES



Source: U.S. Bureau of the Census, 1991.

MEDIAN FAMILY INCOME BY RACE: 1989, 1990



Source: U.S. Bureau of the Census, 1992.

DISPOSABLE PERSONAL INCOME PER CAPITA BY REGION

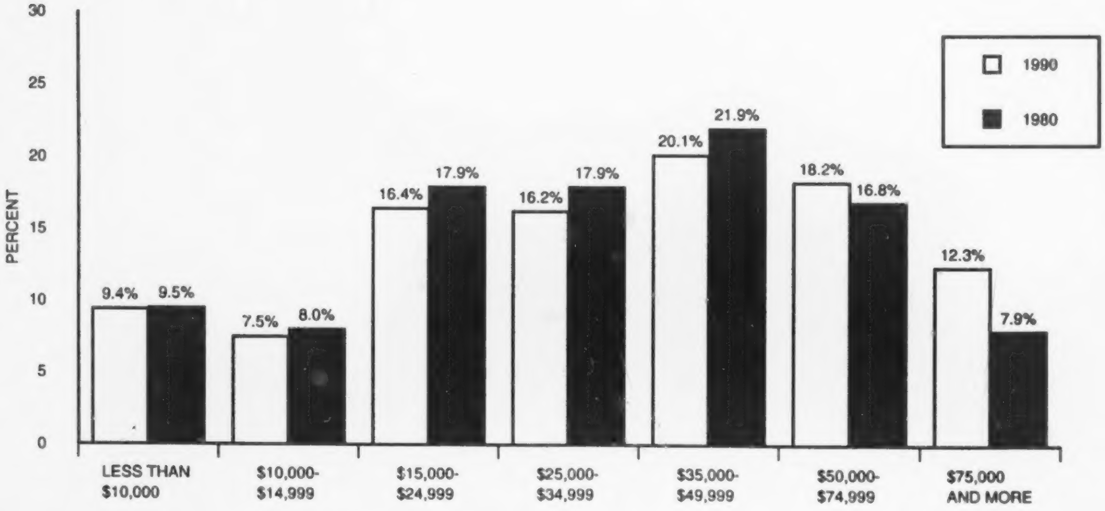
	Disposable Income Per Capita*			
Region	1980	1985	1990	1991[1]
New England	8,936	13,432	18,800	19,132
Middle Atlantic	8,974	13,014	18,180	18,659
East North Central	8,544	11,806	15,734	16,122
West North Central	8,076	11,490	15,054	15,416
South Atlantic	7,782	11,300	15,373	15,735
East South Central	6,692	9,269	12,865	13,358
West South Central	7,920	10,998	13,871	14,439
Mountain	8,096	10,983	14,116	14,602
Pacific	9,656	13,311	17,050	17,451
U.S. Total	8,424	11,902	15,898	16,318

*Disposable income—that which is available after taxes.

[1] Preliminary

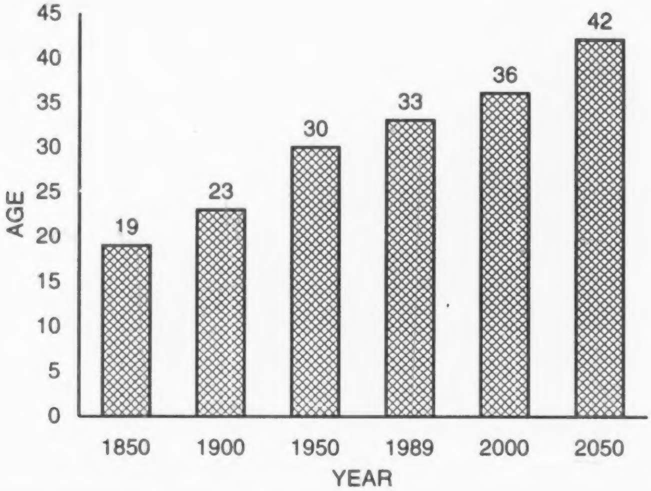
Source: U.S. Bureau of Economic Analysis, 1990.

DISTRIBUTION OF HOUSEHOLDS BY INCOME LEVEL: 1980 vs. 1990



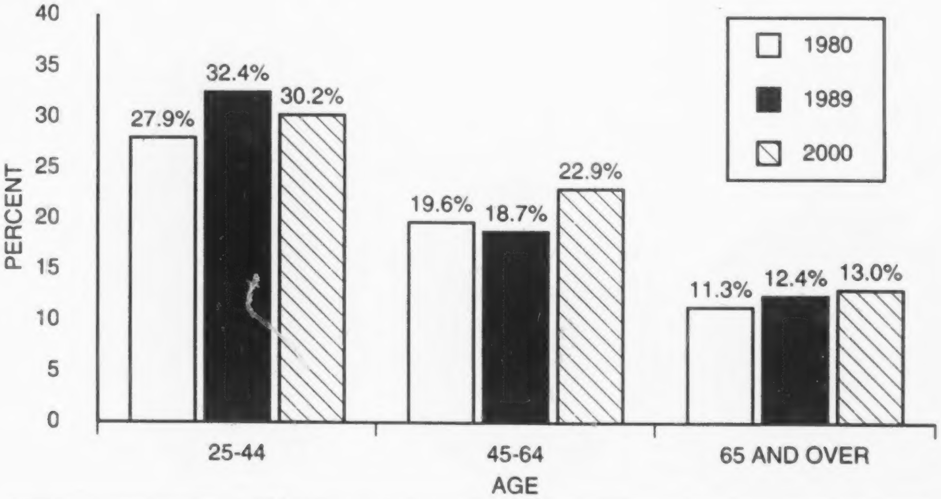
Source: U.S. Bureau of the Census, 1992.

MEDIAN AGE OF THE U.S. POPULATION



Source: U.S. Bureau of the Census, 1991.

AGE GROUP AS PERCENTAGE OF TOTAL POPULATION



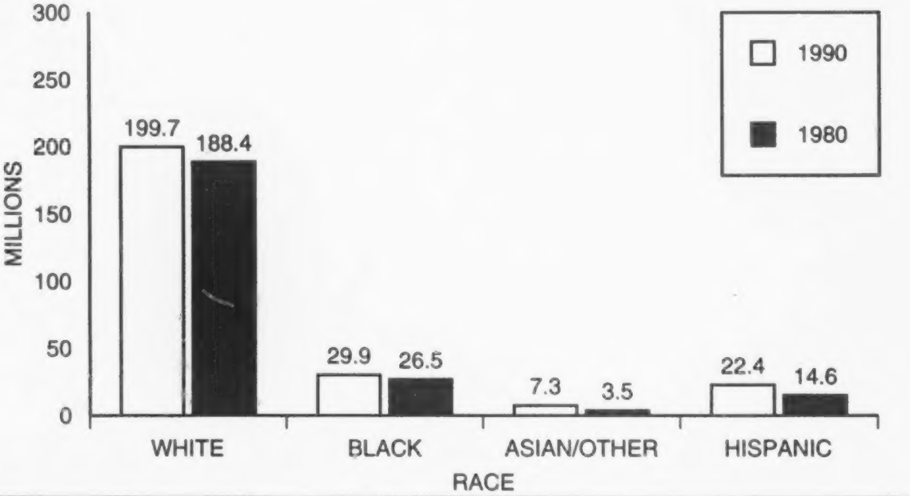
Source: U.S. Bureau of the Census, 1991.

POPULATION BY REGION

Region	Population (in millions) 1980	1990	2000	2010
Northeast	49.1	50.8	51.8	52.5
Midwest	58.9	59.7	59.6	59.0
South	75.4	85.4	96.9	104.9
West	43.2	52.8	59.4	65.6
Total U.S.	226.5	248.7	267.7	282.0

Source: U.S. Bureau of the Census, 1991.

POPULATION BY RACE
(IN MILLIONS)



Source: U.S. Bureau of the Census, 1992.

PERSONS 65 YEARS AND OLDER: 1960, 1980, 1989 AND 2000

Age	1960	1980	1989	2000 (Projection)
65 years and older (population in millions)	16.7	25.7	30.9	34.9
65 years and older (% of the population)	9.2%	11.3%	12.5%	13.0%
Between 65 and 74 (% of the population)	6.1%	6.9%	7.3%	6.8%
75 and older (% of the population)	3.1%	4.4%	5.2%	6.2%

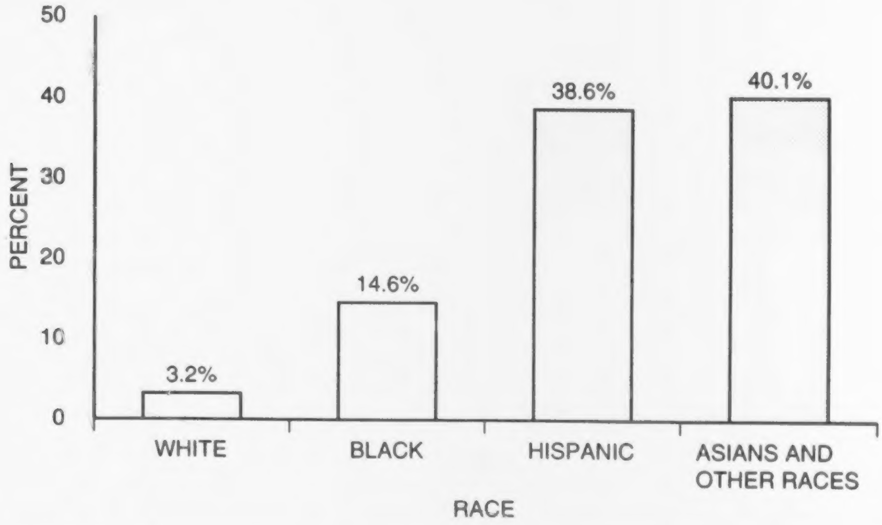
Source: U.S. Bureau of the Census, 1991.

HOUSEHOLDS/EMPLOYMENT CHARACTERISTICS OF ADULTS AGED 55+

	AGE OF HOUSEHOLDER				
	55 and older	**55 to 64**	**65 to 74**	**75 to 84**	**85 and older**
TOTAL HOUSEHOLDS	33,051	12,524	11,999	6,842	1,686
HOUSEHOLD CHARACTERISTICS					
Married-couple households	51.2%	63.1%	52.5%	34.9%	20.6%
Female-headed households	39.3	28.4	38.3	54.7	64.5
Single-person households	37.3	23.5	37.4	54.7	68.1
Households with three or more members	17.8	29.8	13.6	6.2	4.3
Households with children under age 18	3.1	7.1	1.0	0.2	0.2
EMPLOYMENT CHARACTERISTICS					
Householder in labor force	32.5%	63.9%	19.1%	6.2%	1.6%
No earners in household	50.2	19.1	59.2	81.7	89.8
One earner in household	27.7	37.1	27.9	14.9	8.7
Two or more earners in household	20.5	40.4	12.3	3.3	1.3

Source: March 1991 Current Population Survey.

POPULATION GROWTH INCREASE PROJECTIONS FOR 1990–2000 BY RACE



Source: U.S. Bureau of the Census, 1991.

PERCENTAGE DISTRIBUTION OF FAMILIES LIVING IN MULTIPLE DWELLINGS

SIZE	MANHATTAN	CHICAGO	METRO NY	METRO CHICAGO	METRO LA
(NO. OF UNITS)	100-101-102	606	070-079-088-119	463-464-600-606	900-918
2 UNITS	1.8%	49.2%	30.8%	42.8%	42.6%
3 TO 9 UNITS	14.8%	35.9%	22.9%	34.8%	31.6%
10 OR MORE UNITS	83.4%	14.9%	46.3%	22.4%	25.8%
100.0%	100.0%	100.0%	100.0%	100.0%	
PERCENTAGE OF TOTAL HOUSEHOLDS LIVING IN MULTIPLE DWELLINGS	97.0%	52.8%	50.0%	37.1%	33.3%

Source: U.S. Department of the Census, 1991.

• BUSINESS-TO-BUSINESS

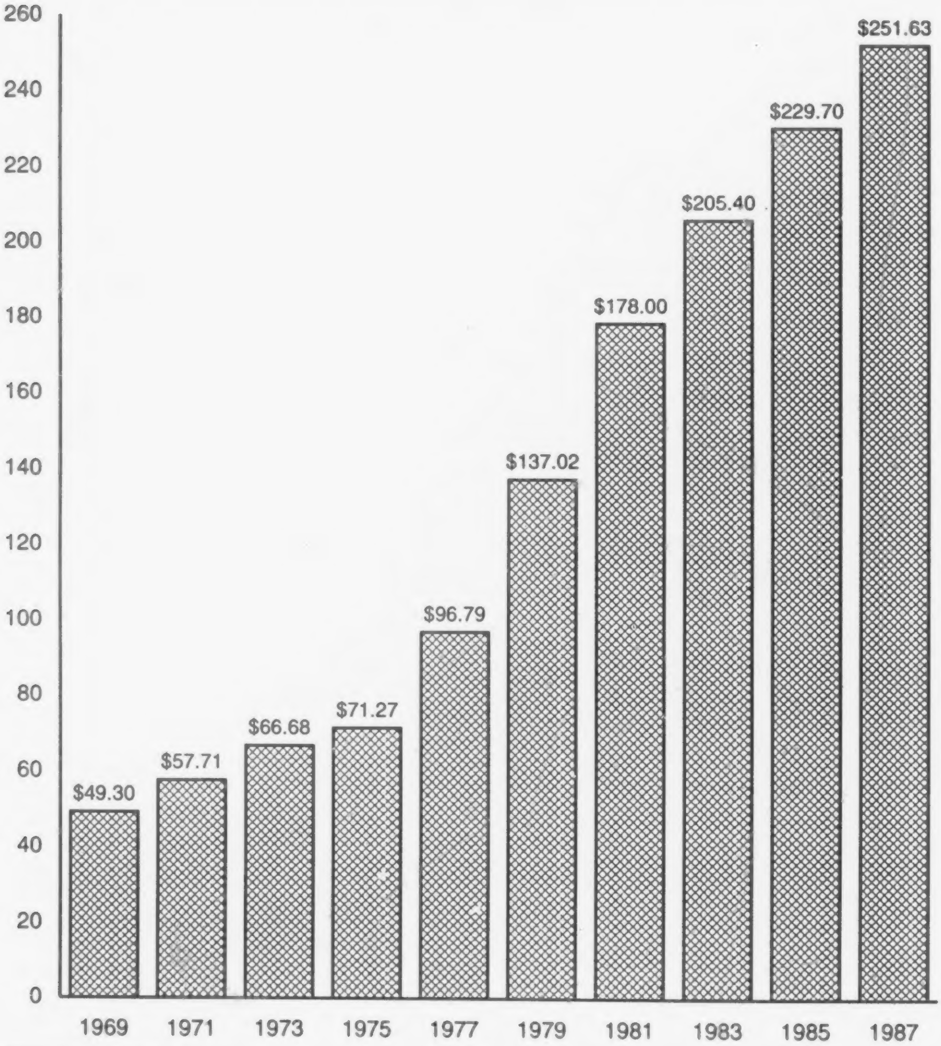
COSTS

TRENDS

COST OF AN INDUSTRIAL SALES CALL (1969—1987)

The McGraw-Hill Research "1987 Cost of a Business-to-Business Sales Call" Survey was conducted by mail questionnaire and telephone interviews in 1988 among 1,531 vice presidents of sales and sales managers in business-to-business companies from the Business Marketing subscriber list. A 55% response rate was achieved.

Note: This research study was discontinued in 1988. Fact Book users may wish to extrapolate this data to subsequent years based on average percent change increases.



Source: McGraw-Hill Research, 1988.

BUSINESS-TO-BUSINESS BUDGETS

More than 53% of the client respondents are allocating more funds than last year to direct response, and more than 60% of agencies responding say direct mail is receiving a larger share of their client's business-to-business media budgets.

The business-to-business marketing segments that received a larger share of the budget 1991 vs. 1990, as reported by clients (percent of companies reporting).

Direct response activities	53.5%
Specialized business publications	48.5
Trade shows	43.6
Business directories/reference books	18.8
Local/regional business publications	17.8
Video	13.9
General business magazines	12.9
Newspapers	8.9
Public/investor relations	7.9
Cable TV	3.0

The media that got larger shares of client budgets 1991 vs. 1990, as reported by agencies (percent of agencies reporting).

Direct mail	60.4%
Specialized business publications	44.6
Other direct response activities	33.7
Video	21.8
Local/regional business publications	17.8
Cable TV	15.8
Radio	12.9
Business directories/reference books	11.9
Newspapers	7.9
Broadcast TV	7.9
General business magazines	5.0

Source: Beta Research Corp. for Business Marketing/Advertising Age, 1991.

BUSINESS-TO-BUSINESS ADDRESS STANDARDIZATION COST SHEET

By implementing the new USPS Business-to Business Addressing Standardization Guidelines, direct marketers can save significantly on postal costs - even offset the impact of the 1991 rate increase.

SPECS: 64-page catalog
1,000,000 name mailing list

COSTS:	Prep, mfg., print, binding	=	$190.00 / m
	Addressing, mailing	=	$ 11.50 / m
	List cost	=	$ 50.00 / m
	Postage (Pre-91 rate increase)	=	$120.00 / m
	TOTAL		**$371.50 / m** **$ 0.37 each**

Bottomline impact of new rates on postage:

Postage Costs After the 1991 Rate Increase	=	$166.00 / m
Postage Costs Before the 1991 Rate Increase	=	$120.00 / m
Additional Postal Rate Costs Per Mailing	=	$ 46.00 / m

(continued)

BUSINESS-TO-BUSINESS ADDRESS STANDARDIZATION COST SHEET
(CONTINUED FROM PAGE 205)

The total cost of the sample catalog mailing at the 1991 rate = $417,500.00 or $0.42 each. When compared to the pre-1991 rate increase cost at $371,500.00, there is an increase of $46,000 per mailing.

Effects of Using B-to-B Address Standardization Guidelines

Mailing list quantity	1,000,000 names
Elimination of 9% non-deliverables	-90,000 names
Elimination of 12% duplications identified only through using standards	-120,000 names
NET NAMES MAILED	**790,000**

Now, let's look at a sample catalog mailing at 1991 rates – with and without using the B-to-B Addressing Standardization Guidelines:

EXHIBIT A

SPECS: 64-page catalog

1,000,000 name mailing list (w/o standardization processing)

COSTS:	Prep, mfg., print, binding	=	$190.00 / m
	Addressing, mailing	=	$ 11.50 / m
	List cost	=	$ 50.00 / m
	postage (NEW)	=	$166.00 / m
	TOTAL		**$417.50 / m**

EXHIBIT B

SPECS: 64-page catalog

790,000 name mailing list (w/ standardization processing eliminating duplicates @ 12% and non-deliverables @ 9% - net 21%)

COSTS: Reduced by 21% = $329,825 or $0.33 each

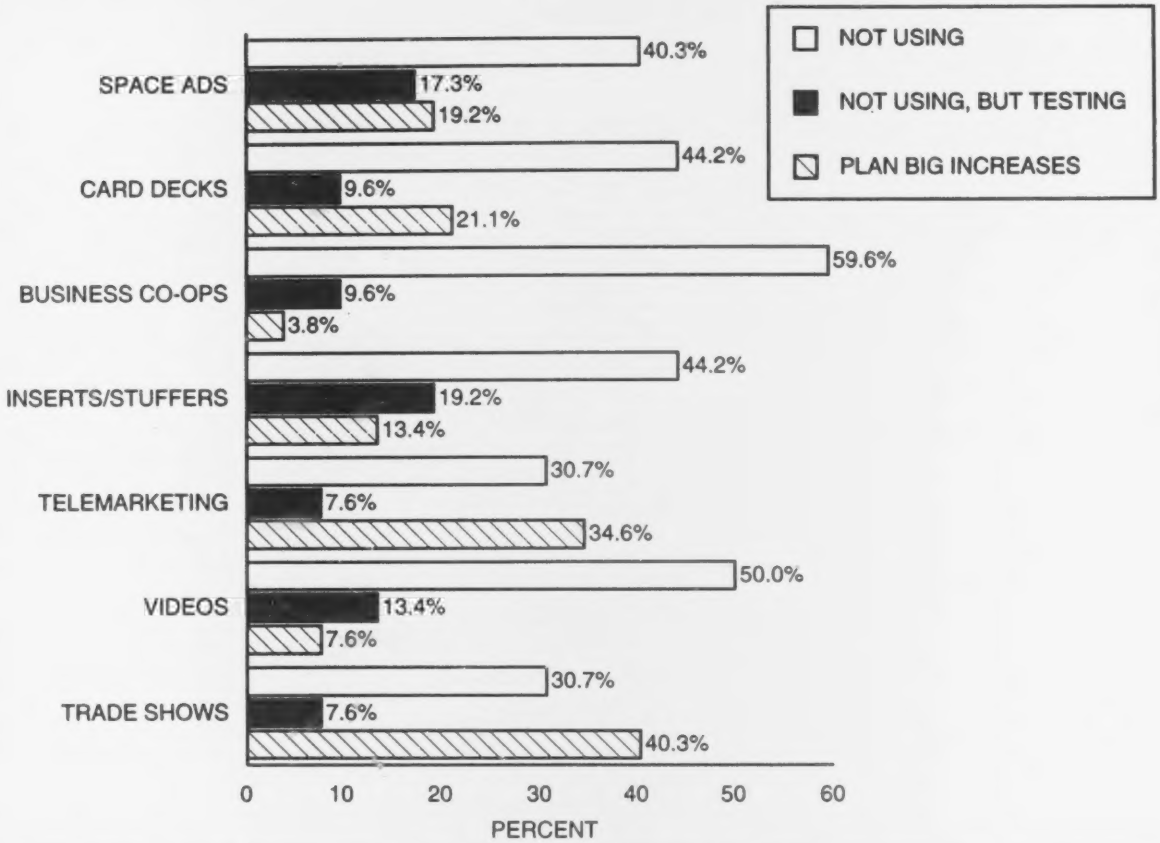
TOTAL SAVINGS:	**$87,675.00 or $ 0.09 each**

WHAT IT REALLY MEANS TO YOU!

Savings from use of B-TO-B Stds	+ $87,675
Added Cost as a result of 1991 Postal Increase	-$46,000
Net savings even after Postal Increase	**$41,675**

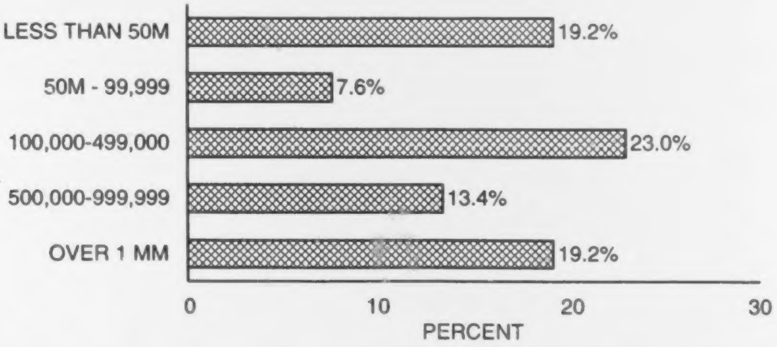
Source: Direct Marketing Association, Business-to-Business Address Standards, 1991.

PLANS FOR NON-MAIL MEDIA AND CO-OPERATIVE MAIL IN 1991



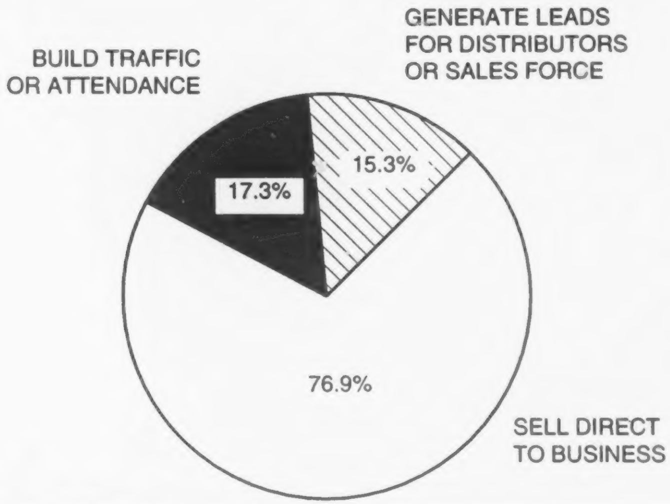
Source: CMP Direct Marketing Services, 1990.

NUMBER OF NAMES RENTED ANNUALLY



Source: CMP Direct Marketing Services, 1990.

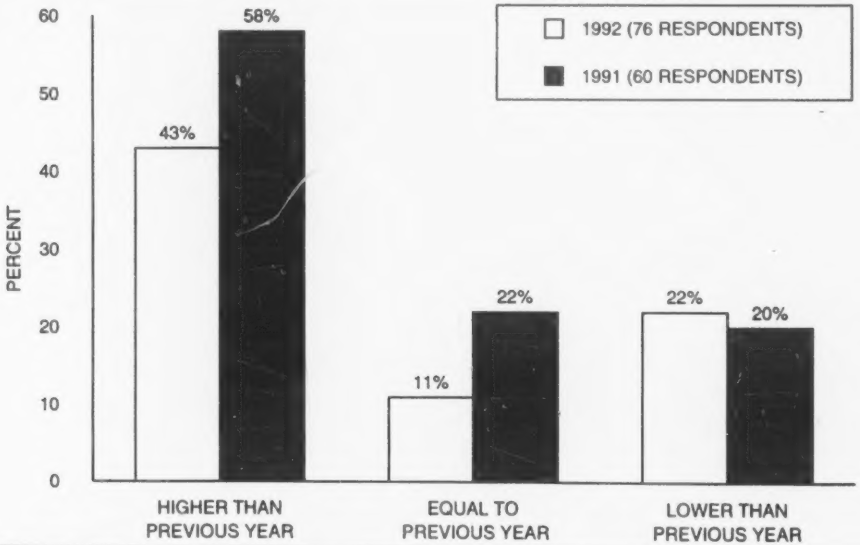
BUSINESS-TO-BUSINESS DIRECT MARKETERS' USE OF DIRECT MAIL



Source: CMP Direct Marketing Services, 1990.

BUSINESS-TO-BUSINESS GROSS MAIL ORDER SALES

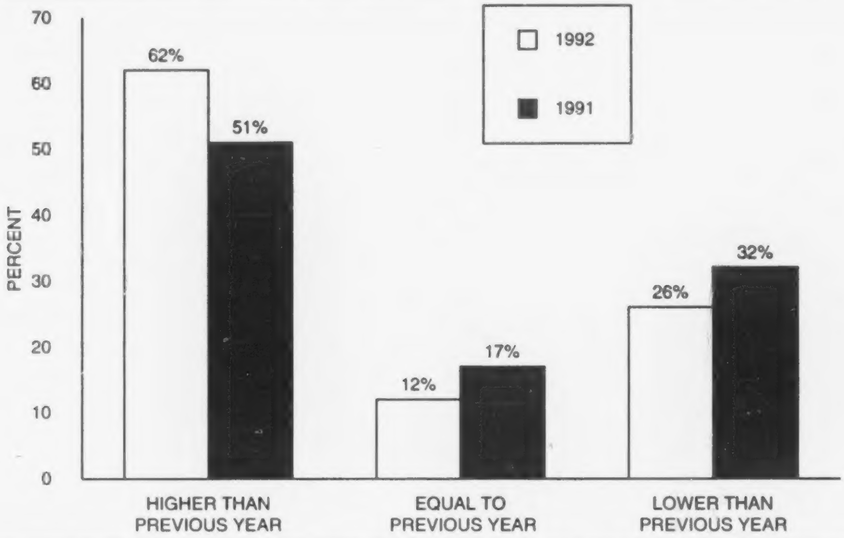
Direct Media, Inc. conducts an annual survey on business conditions from its business-to-business client base. Participants find the results of this survey an important benchmark against which to measure their own company's recent performance.



Source: Direct Media, Inc., 1992.

BUSINESS-TO-BUSINESS PRETAX PROFITS

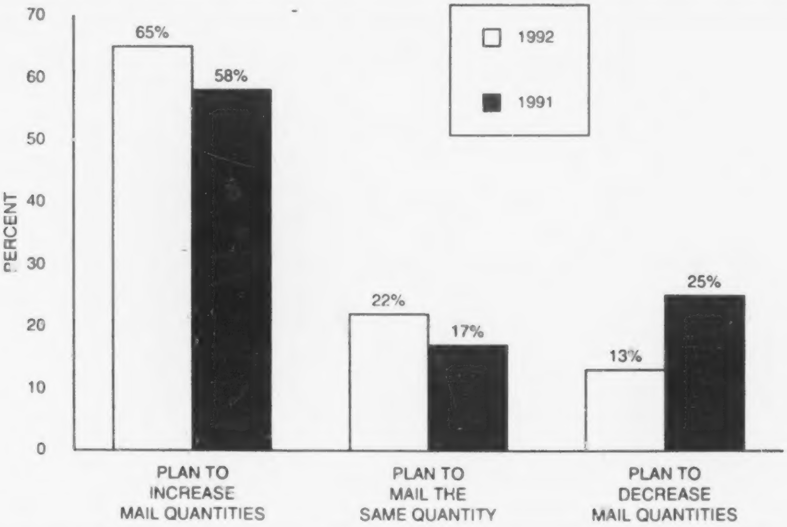
A larger number of respondents reported higher pretax profits in 1992.



Source: Direct Media, Inc., 1992.

BUSINESS-TO-BUSINESS MAILING QUANTITIES TO CUSTOMERS

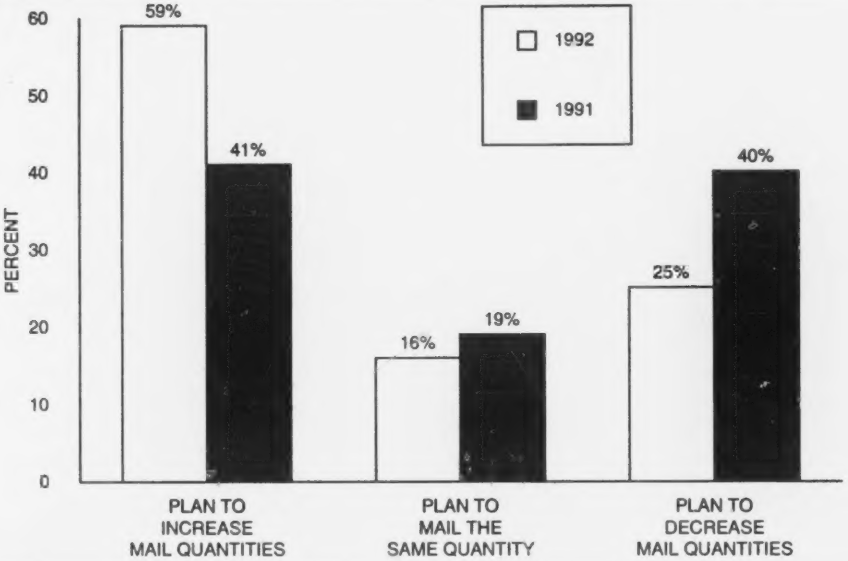
Most respondents reported that they plan to increase their mail quantities in the coming months to their customer base.



Source: Direct Media, Inc., 1992

BUSINESS-TO-BUSINESS MAILING QUANTITIES TO PROSPECTS

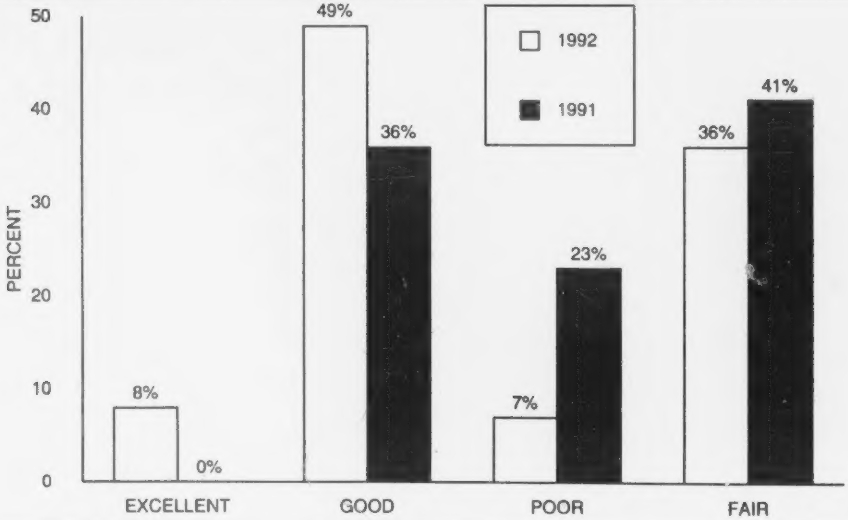
Most respondents indicated that they intend to increase their mail quantities to prospects.



Source: Direct Media, Inc., 1992.

OUTLOOK FOR BUSINESS-TO-BUSINESS PROSPECT BUSINESS

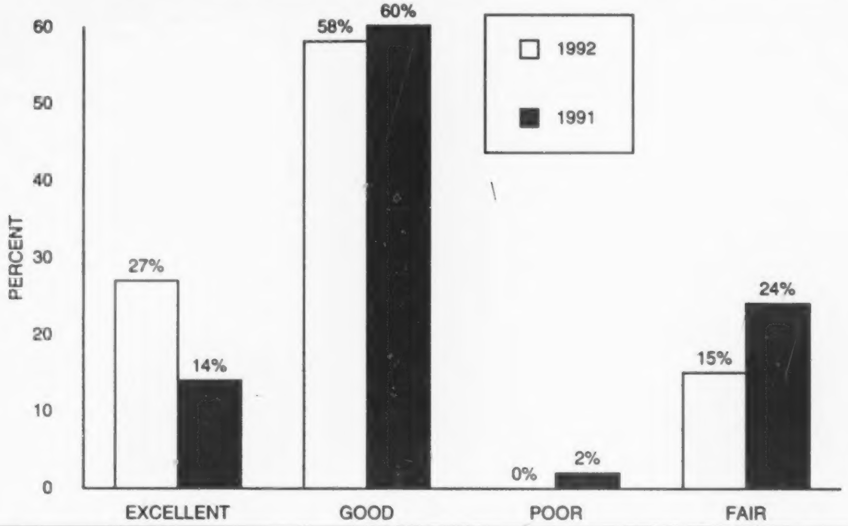
The outlook for prospecting business improved noticeably in the 1992 survey.



Source: Direct Media, Inc., 1992.

OUTLOOK FOR BUSINESS-TO-BUSINESS CUSTOMER BUSINESS

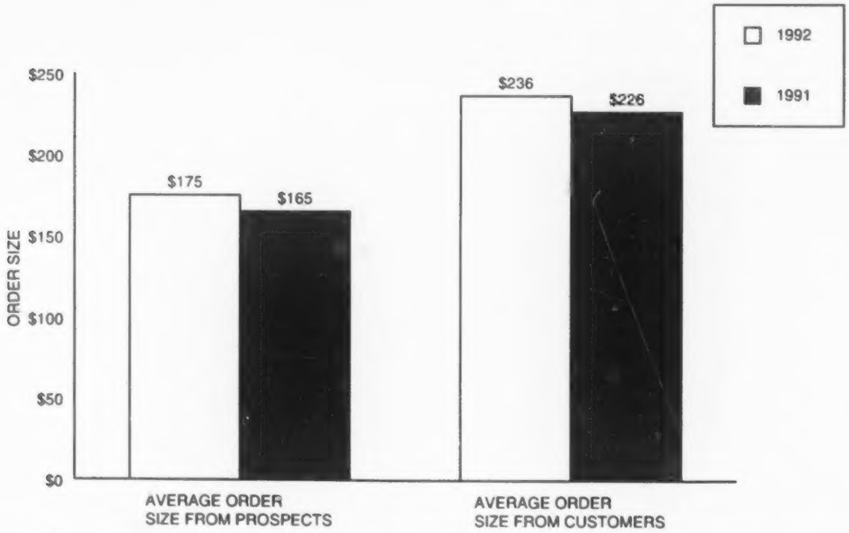
The percentage of respondents noting their customer business "excellent" rose to 27% in 1992, almost double the 14% from 1992's survey.



Source: Direct Media, Inc., 1992.

AVERAGE ORDER SIZE FOR BUSINESS-TO-BUSINESS MARKETERS

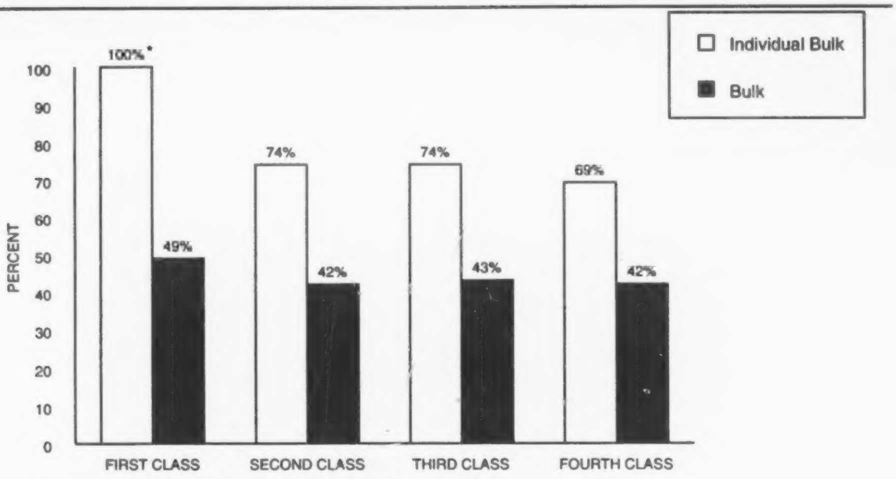
The average order size increased from both prospect and customer lists in 1992.



Source: Direct Media, Inc., 1992.

TYPES OF MAIL DELIVERED

Tek Direct, a mail order catalog serving the electronics industry, surveyed mailroom supervisors of its customer base from large companies. The survey's purpose was to gauge mailroom policies and to get updated information for its mailing list. A 35% response rate was achieved.

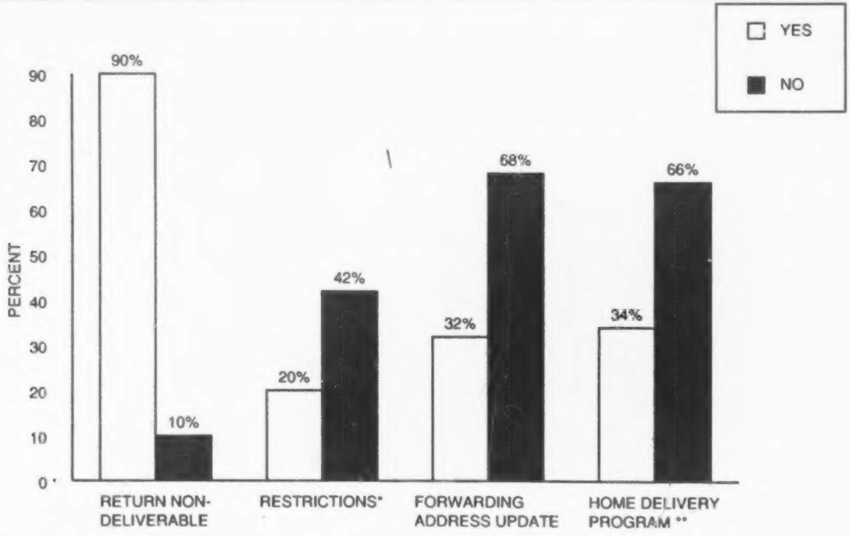


*The data was normalized (indexed) to 100 percent delivery for an individual first-class letter.

Source: Tek Direct, Large Company Mailroom Study, 1992.

MAILROOM POLICIES AFFECTING THIRD-CLASS MAIL

Mailroom policies can affect list clean-up and delivery.

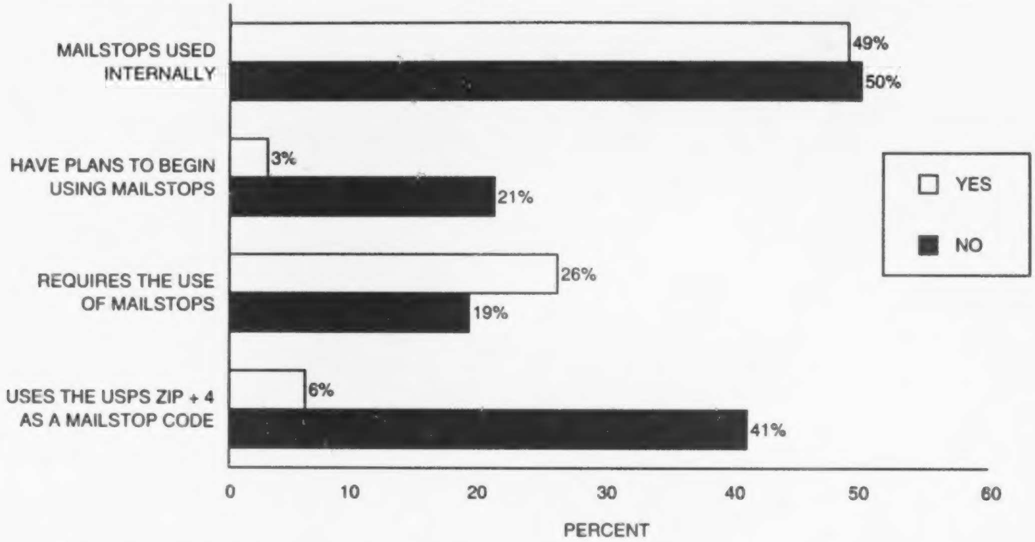


* Restrictions leading to non-delivery ranged from mail that was missing complete name and address information to more extreme policies where "No Bulk Rate Mail" would be delivered.
** Mailroom employees reroute mail to the employee's home address.

Source: Tek Direct, Large Company Mailroom Study, 1992

MAILROOM DELIVERY PRACTICES

A cooperative DMA/USPS survey was sent to mailroom managers in more than 13,000 large businesses across the U.S. in 1991 to gauge business procedures on the treatment of advertising mail. 3,409, or 26 percent, responded to the survey.

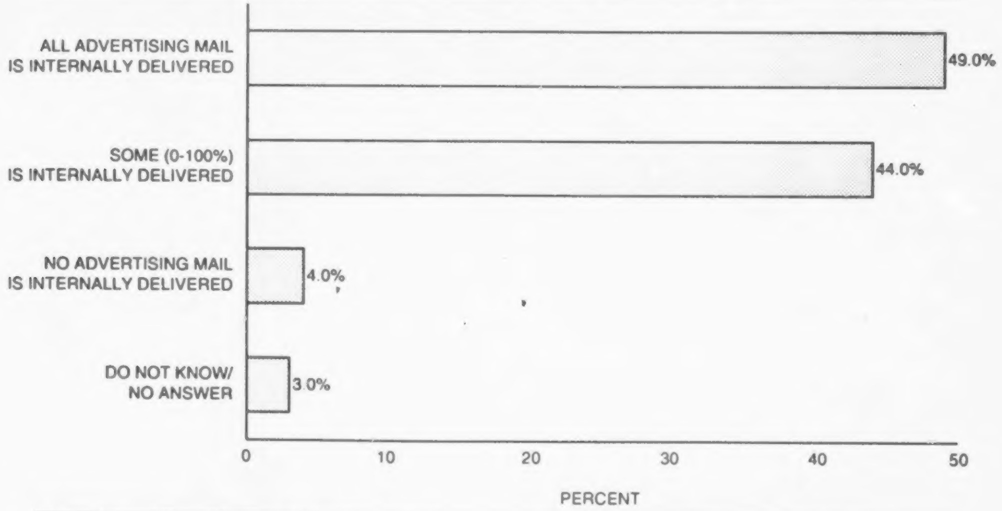


Note: Percents do not add up to 100% because not all respondents answered each question.

Source: DMA/USPS Survey of Corporate Mailroom Practices, 1991.

MAILROOM POLICIES RE: INCOMING ADMAIL

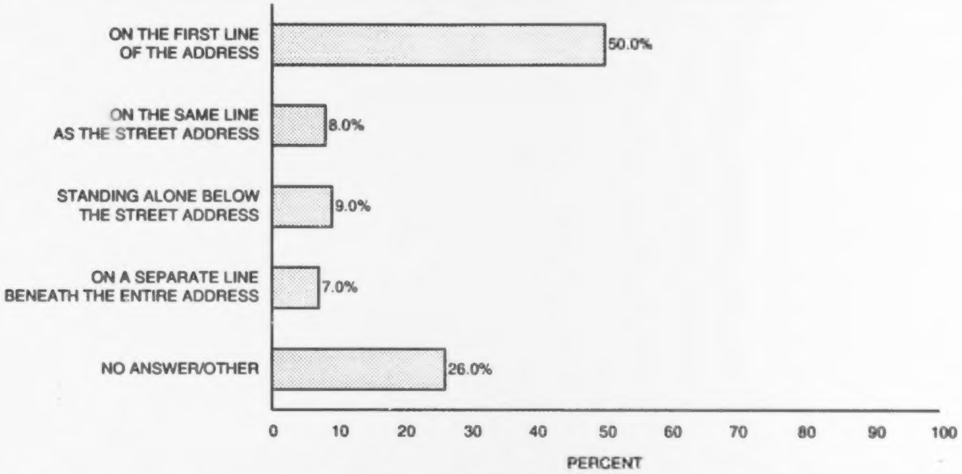
93% of corporate mailrooms deliver all or some admail.



Source: DMA/USPS Survey of Corporate Mailroom Practices, 1991.

PREFERENCE FOR PLACEMENT OF MAILSTOP CODE

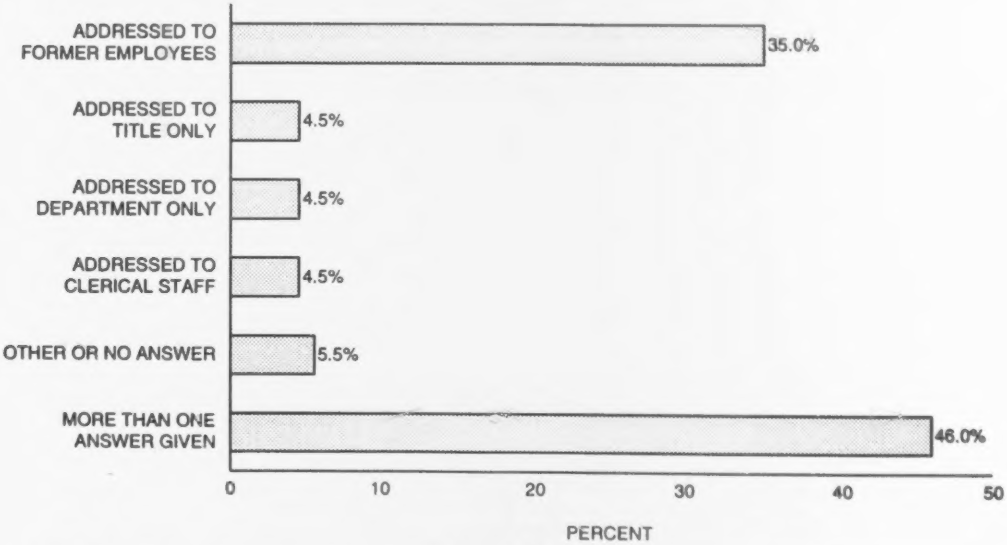
Most mailroom managers prefer to see the mailstop code on the first line of an address.



Source: DMA/USPS Survey of Corporate Mailroom Practices, 1991.

CRITERIA USED TO DETERMINE WHICH MAIL IS NOT DELIVERED

Business-to-business mailers need to work to maintain more current address data.



Source: DMA/USPS Survey of Corporate Mailroom Practices, 1991.

• FINANCIAL SERVICES

INSURANCE

BANKS

CREDIT CARDS

MAILINGS RECALLED IN THE PAST 30 DAYS AND RESPONDED TO

In 1990, the Life Insurance Market Research Association conducted the Financial Choice Study among 775 consumers to determine the impact of direct response marketing on the sale of life insurance. More than one-third of respondents recalled receiving a life insurance mailing within the past 30 days, of which 3% reported responding to.

	RECALL RECEIVING PERCENT	OF THOSE RECALLING, PERCENT THAT RESPOND PERCENT
Credit Cards	64	7
Life Insurance	34	3
Auto Insurance	27	5
Mutual Funds	13	4

Source: Life Insurance Market Research Association (LIMRA), 1991.

RESPONSE TO RECALLED MAILINGS BY MARITAL STATUS AND FAMILY FINANCIAL OFFICER IDENTITY

Singles are somewhat more apt than married people to respond to credit card and auto insurance offerings.

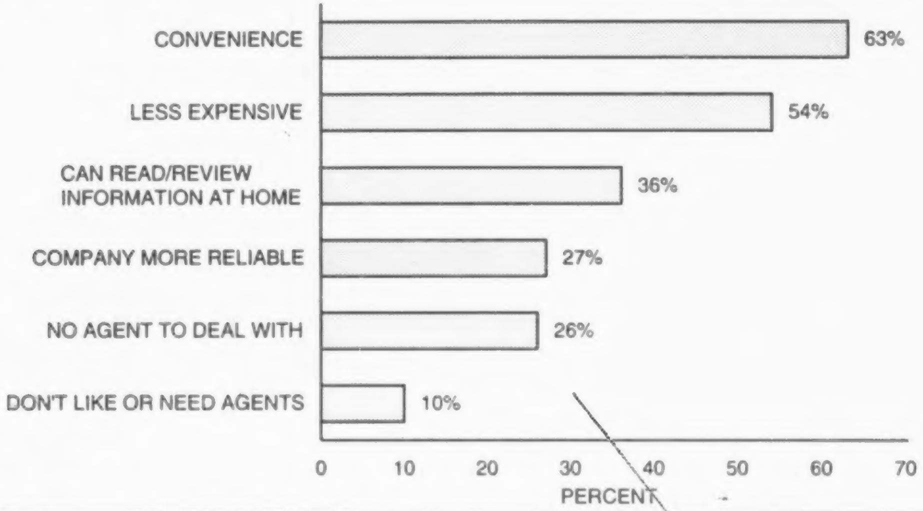
	MARITAL STATUS			FAMILY FINANCIAL OFFICER*		
	ALL	SINGLE	MARRIED	HUSBAND	WIFE	SHARED
Credit Cards	7%	10%	5%	3%	7%	6%
Life Insurance	3	4	3	2	4	2
Auto Insurance	5	8	3	—	7	—
Mutual Funds	4	3	5	8	—	4

— No cases
* Person responsible for family finances

Source: Life Insurance Market Research Association (LIMRA), 1991.

REASONS PROSPECTS BUY INSURANCE POLICIES DIRECT

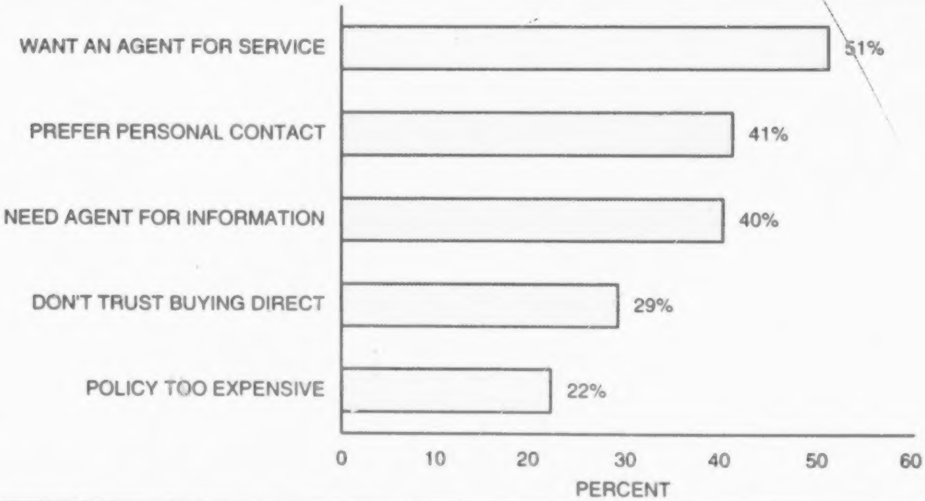
Convenience and cost were cited as the top reasons for buying insurance via direct response.



Source: Life Insurance Market Research Association (LIMRA), 1991.

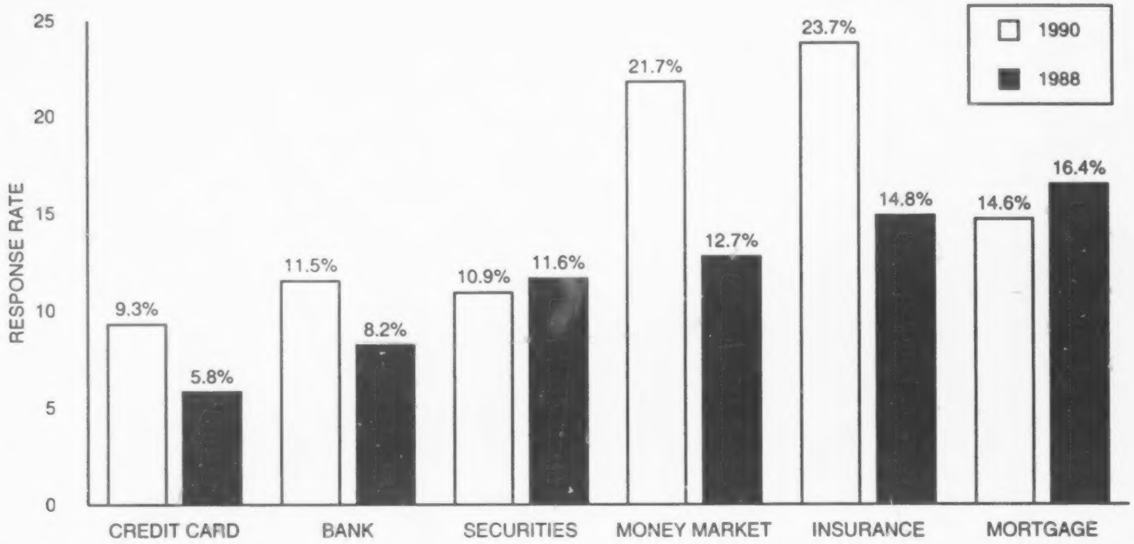
REASONS PROSPECTS DO NOT BUY INSURANCE POLICIES DIRECT

Desire for personal contact with an agent are the main reasons people choose not to buy insurance via direct response.



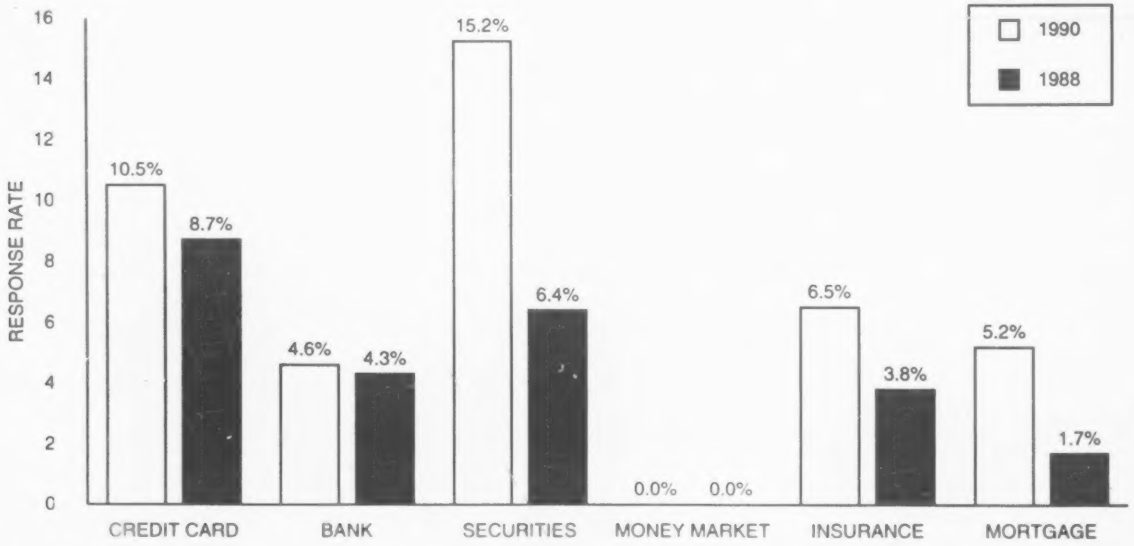
Source: Life Insurance Market Research Association (LIMRA), 1991

RESPONSE TO FIRST-CLASS ADVERTISING BY FINANCIAL SERVICES SEGMENT



Source: USPS Household Diary Study, 1991

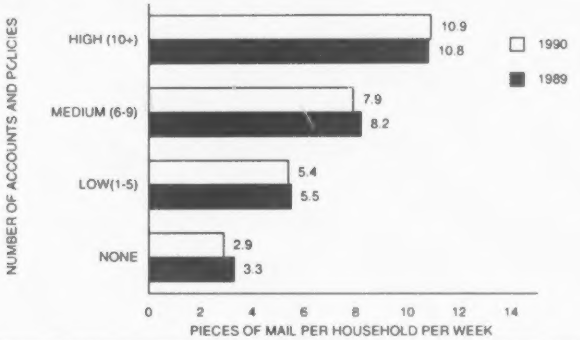
RESPONSE TO THIRD-CLASS ENVELOPES AND CARDS BY FINANCIAL SERVICES SEGMENT



Source: USPS Household Diary Study, 1991

THIRD-CLASS BULK REGULAR RECEIPT BY NUMBER OF FINANCIAL ACCOUNTS AND INSURANCE POLICIES

POSTAL YEARS 1989 & 1990



Source: USPS Household Diary Study, 1991.

TYPES OF LIFE INSURANCE POLICIES CARRIED

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults in 1990, and 23,555 in 1991 interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990, and 182,456,000 in 1991.

Boldface Numbers = 1991
Lightface Numbers = 1990

	Directly From Insurance Company		In Response to Mail Advertising Received at Home or Office (No Agent)		Through A Credit Card		With Loan, Mortgage, or Installment Payments		Through An Insurance Agent or Broker		Other	
	'000	%	'000	%	'000	%	'000	%	'000	%	'000	%
Currently Carry	**7,783** 8,734	**4.3** 4.8	**1,328** 1,171	**0.7** 0.6	**1,801** 2,334	**1.0** 1.3	**2,964** 4,947	**1.6** 2.7	**44,384** 45,308	**24.3** 25.0	**4,210** 5,639	**2.3** 3.1
Face Value of Life Insurance Currently Carried												
Less than $5,000	**2,066** 2,797	**1.1** 1.5	**309** 441	**0.2** 0.2	**733** 890	**0.4** 0.5	**620** 859	**0.3** 0.5	**7,513** 8,305	**4.1** 4.6	**1,373** 1,511	**0.8** 0.8
$5,000—$9,999	**1,495** 1,969	**0.8** 1.1	**149** 234	**0.1** 0.1	**78** 433	***** 0.2	**397** 706	**0.2** 0.4	**6,659** 6,480	**3.6** 3.6	**768** 1,013	**0.4** 0.6
$10,000—$19,999	**1,175** 1,418	**0.6** 0.8	**571** 184	**0.3** 0.1	**355** 254	**0.2** 0.1	**505** 1,171	**0.3** 0.6	**6,632** 6,121	**3.6** 3.4	**739** 1,071	**0.4** 0.6
$20,000—$29,999	**1,029** 681	**0.6** 0.4	**77** 52	***** *	**94** 203	**0.1** 0.1	**407** 512	**0.2** 0.3	**5,243** 5,256	**2.9** 2.9	**574** 595	**0.3** 0.3
$30,000—$49,999	**381** 234	**0.2** 0.1	**86** 43	***** *	**82** 87	***** *	**261** 530	**0.1** 0.3	**2.566** 2,741	**1.4** 1.5	**193** 168	**0.1** 0.1
$50,000—$74,999	**893** 718	**0.5** 0.4	**36** 29	***** *	**20** 203	***** 0.1	**361** 777	**0.2** 0.4	**5,782** 6,607	**3.2** 3.6	**263** 523	**0.1** 0.3
$75,000—$99,999	**43** 50	***** *	**10** 9	***** *	**14** 17	***** *	**141** 94	**0.1** 0.1	**1,657** 1,372	**0.9** 0.8	**34** 32	***** *
$100,000 or More	**700** 868	**0.4** 0.5	**91** 179	***** 0.1	**427** 248	**0.2** 0.1	**273** 298	**0.1** 0.2	**8,333** 8,428	**4.6** 4.7	**266** 726	**0.1** 0.4

Source: Simmons Market Research Bureau, 1990 1991 Study of Media and Markets

MEDICAL, HOSPITAL OR HEALTH INSURANCE

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. population, estimated to be 181,131,000 in 1990, and 182,456,000 in 1991.

Boldface Numbers = 1991
Lightface Numbers = 1990

Types of Medical, Hospital or Health Insurance	**Currently Carry '000**	**Currently Carry %**	**Acquired in Last 12 Months '000**	**Acquired in Last 12 Months %**
From a Place of Work or Union	**86,858**	**47.6**	**8,928**	**4.9**
	87,132	48.1	9,481	5.2
From a Fraternal or Other Membership Group	**2,760**	**1.5**	**258**	**0.1**
	3,542	2.0	525	0.3
Medicare	**23,137**	**12.7**	**1,640**	**0.9**
	22,851	12.6	1,268	0.7
Medicaid	**8,154**	**4.5**	**867**	**0.5**
	6,621	3.7	1,022	0.6
Through an Independent Agent or Broker	**9,042**	**5.0**	**1,601**	**0.9**
	10,026	5.5	1,946	1.1
Directly from Insurance Company	**5,434**	**3.0**	**507**	**0.3**
	6,172	3.4	769	0.4
In Response to Mail Advertising or Telephone Solicitation	**461**	**0.3**	**92**	**0.1**
	677	0.4	193	0.1
In Response to Newspaper or Magazine Advertising (No Agent)	**431**	**0.2**	**48**	*
	547	0.3	114	0.1
Other	**9,245**	**5.1**	**1,106**	**0.6**
	9,268	5.1	938	0.5
Do Not Know/No Answer	**3,927**	**2.2**	**114,206**	**62.6**
	4,204	2.3	N/A	N/A

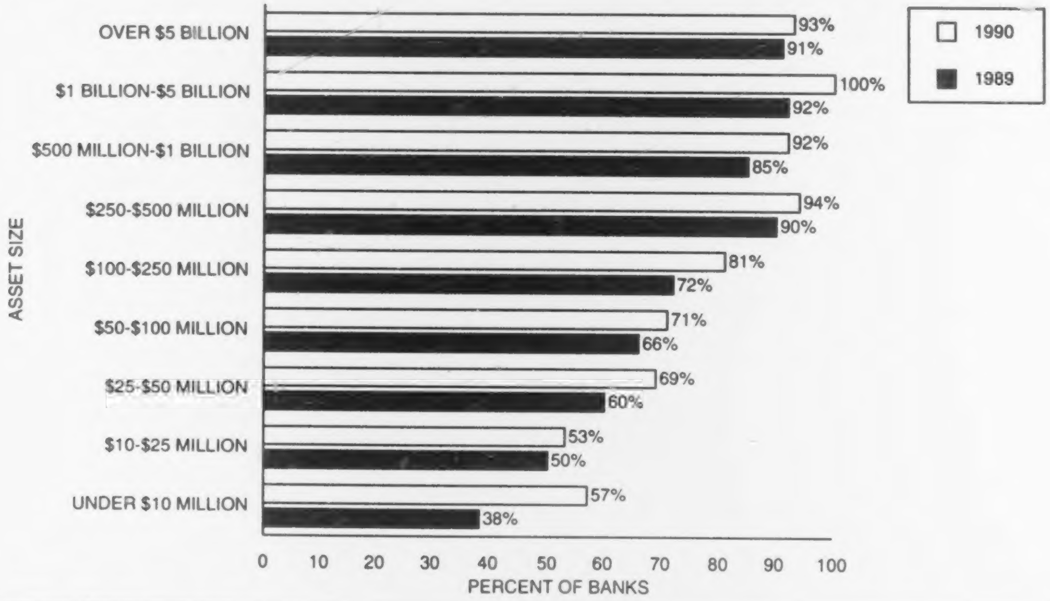
Source: Simmons Market Research Bureau, 1990, 1991 Study of Media and Markets.

BANK SERVICES PROMOTED BY DIRECT MAIL

	ASSET SIZE IN MILLIONS								
Type of Service	Under $10	$10–25	$25–50	$50–100	$100–250	$250–500	$500–$1 Billion	$1 Billion–$5 Billion	$5 Billion–or More
CREDIT	**92%**	**73%**	**84%**	**75%**	**84%**	**90%**	**91%**	**94%**	**100%**
Credit Card	25	27	34	36	36	49	55	47	77
Installment	42	38	34	30	28	31	23	45	54
Home Equity	17	30	38	37	47	60	77	85	77
Other Line of Credit	42	24	18	11	11	16	13	26	23
Mortgage	42	35	26	22	26	26	23	32	23
DEPOSIT	**100**	**89**	**90**	**88**	**88**	**83**	**87**	**87**	**100**
Checking	75	57	54	56	47	42	53	51	62
Debit Card	8	14	13	14	15	12	11	19	23
Money Market	8	35	10	20	19	21	26	21	23
Short Term CDs	42	46	18	20	21	25	43	23	46
Long Term CDs	17	22	11	17	15	13	23	19	31
IRA	42	59	41	46	39	34	36	40	77
Trust	8	—	10	11	22	24	17	15	8
Senior Account/Senior Club	—	3	8	3	5	4	—	—	8
ATM/ATM Card	—	—	2	4	3	—	2	—	—
CORPORATE	**42**	**51**	**31**	**34**	**36**	**39**	**40**	**26**	**31**
Checking	17	43	16	18	18	12	4	4	15
Other Deposit	8	11	3	7	6	8	6	4	—
Loans	25	27	16	19	18	14	13	9	8
Cash Management	17	8	8	7	7	13	17	19	—
Institutional	8	3	5	7	10	15	15	11	8
Other Corporate Services	—	—	—	3	5	4	4	—	8

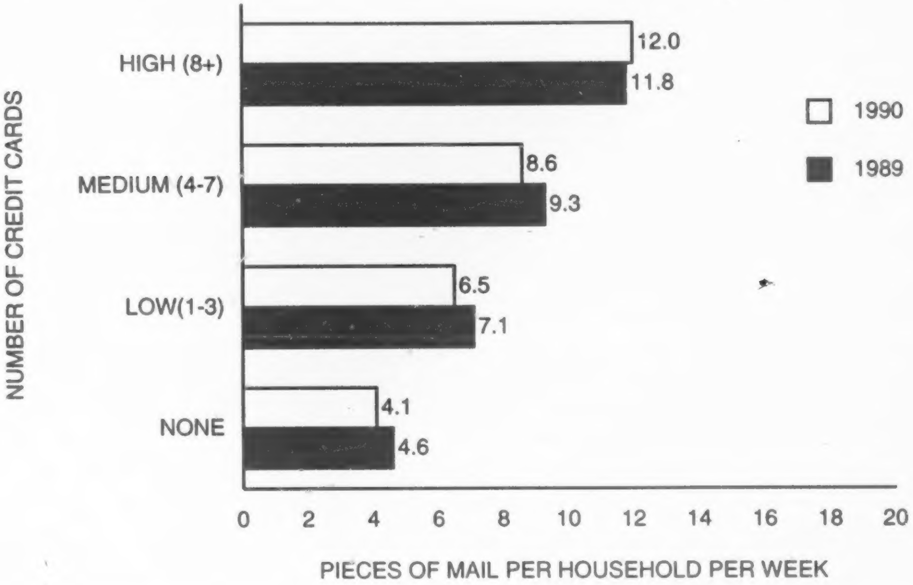
Source: Bank Marketing Association, 1990.

PERCENTAGE OF BANKS USING DIRECT RESPONSE ADVERTISING BY ASSET SIZE



Source: Bank Marketing Association, 1989, 1990.

THIRD-CLASS BULK REGULAR MAIL RECEIPT BY NUMBER OF CREDIT CARDS
POSTAL YEARS 1989 & 1990



Source: USPS Household Diary Study, 1991.

• CIRCULATION

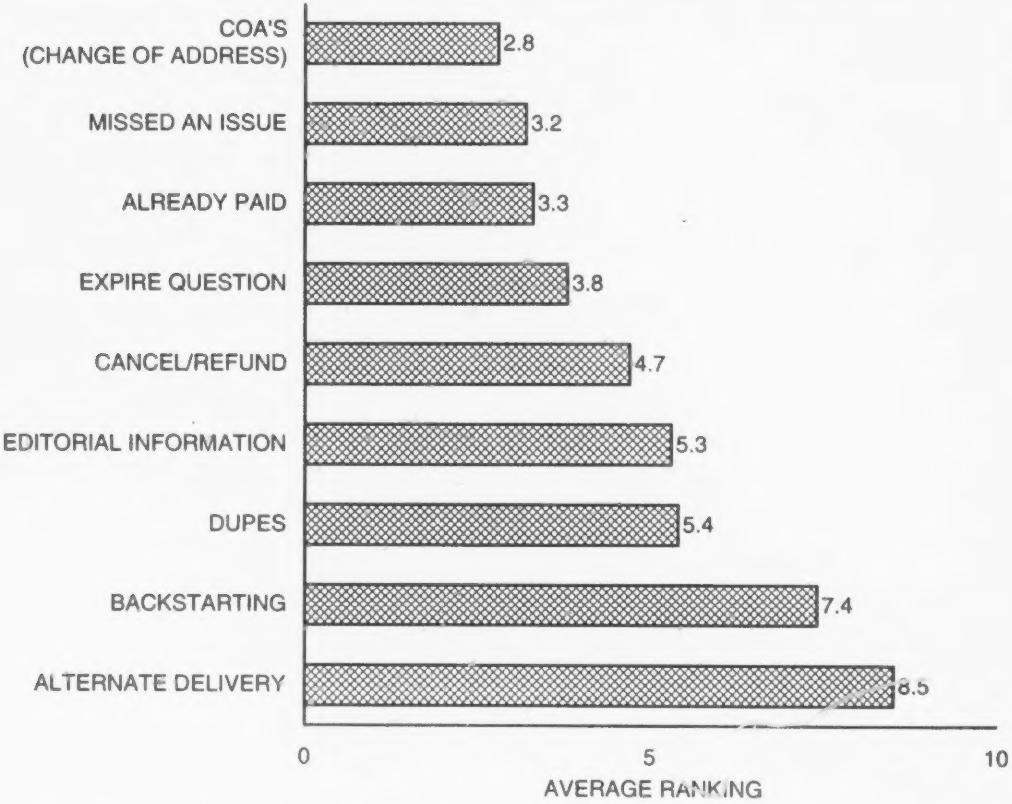
CONSUMER ATTITUDES

COSTS

TRENDS

RANKING OF FREQUENTLY RECEIVED CUSTOMER SERVICE COMPLAINTS/INQUIRIES

Using a 9-point scale where "1" means the most frequently cited complaint, and "9" means the least, COA's received the greatest degree of customer service complaints/inquiries.



Source: Consumer Magazine Customer Service Study, 1992

CIRCULATION MANAGER: SALARY

Circulation manager: Generally the second level of management in the circulation department. Administers circulation programs for subscriptions and single-copy sales. Handles all facets of circulation for one or more titles.

Average Salaries (The number of respondents is in parentheses.)		% increase from '90 to '91
All respondents	$30,465 (114)	10.6%
Business	$27,915 (60)	10.7
Consumer	$33,470 (53)	10.4
Top one-third	$42,653 (38)	
Middle one-third	$28,930 (38)	
Bottom one-third	$19,812 (38)	

	Average		Average Business		Average Consumer	
By region:						
Northeast	$33,957	(45)	$31,695	(20)	$35,766	(25)
South	28,091	(23)	28,769	(13)	27,210	(10)
North central	24,924	(27)	24,418	(17)	25,962	(9)
Western	30,877	(17)	25,190	(10)	39,001	(7)
By sex:						
Male	$37,832	(28)	$34,750	(12)	$40,143	(16)
Female	28,067	(86)	26,206	(48)	30,584	(37)
By age:						
29 or less	$26,519	(46)	$24,046	(24)	$29,217	(22)
30–39	33,672	(37)	30,906	(17)	36,023	(20)
40 or more	32,492	(31)	30,126	(19)	37,333	(11)
By years in circulation:						
Up to 3	$24,688	(47)	$24,173	(30)	$25,597	(17)
4–10	31,694	(51)	30,139	(23)	33,297	(27)
More than 10	42,017	(15)	36,643	(7)	46,720	(8)
Eligible for bonus/incentive:						
Yes	$32,945	(31)	$29,813	(16)	$37,150	(14)
No	29,539	(83)	27,225	(44)	32,149	(39)
By employees supervised:						
None/one	$28,743	(71)	$26,208	(38)	$31,663	(33)
2–5	32,994	(35)	30,447	(19)	36,806	(15)
More than 5	34,683	(8)	33,500	(3)	35,392	(5)
Responsible for:						
One magazine	$28,473	(48)	$25,074	(23)	$31,601	(25)
More than one	32,400	(64)	29,944	(36)	35,977	(27)
By circulation:*						
Up to 19,999	$21,580	(17)	$21,950	(14)	$19,853	(3)
20,000–49,999	25,048	(21)	25,288	(16)	24,280	(5)
50,000–99,999	30,247	(34)	31,233	(21)	29,026	(12)
100,000–499,999	33,962	(33)	34,122	(9)	33,902	(24)
500,000 or more	47,889	(9)	0	(0)	47,889	(9)
By frequency:*						
Weekly/biweekly	$33,562	(16)	$33,200	(10)	$34,164	(6)
Monthly	30,175	(76)	27,195	(43)	34,366	(32)
Other	29,215	(22)	24,786	(7)	31,282	(15)
By circulation type:*						
Paid	$32,330	(68)	$28,559	(22)	$34,133	(46)
Nonpaid	27,787	(45)	27,542	(38)	29,114	(7)

*Refers to the largest circulation magazine on which respondent works.

Source: *Folio Magazine*, 1991

CIRCULATION DIRECTOR: SALARY

Circulation director, or top circulation executive: Plans, directs and coordinates circulation marketing efforts. Directly responsible for budgeting and analyses of single-copy and all subscription programs, list rentals, and database planning and maintenance.

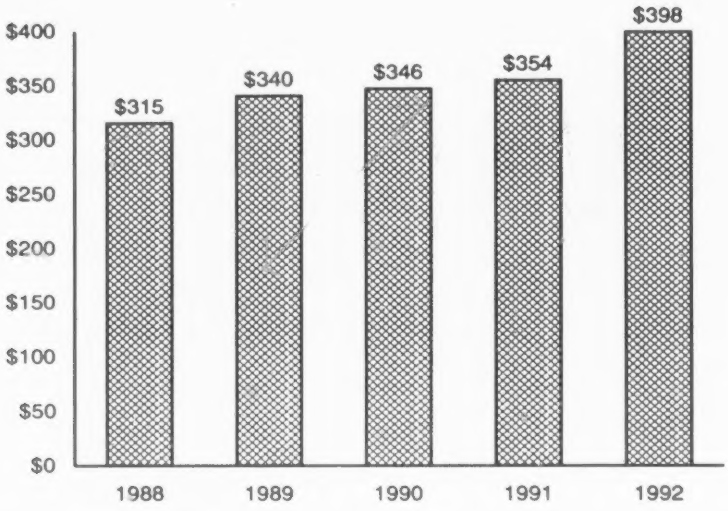
Average Salaries (The number of respondents is in parentheses.)		% increase from '90 to '91
All respondents	$46,463 (200)	10.2%
Business	$40,707 (100)	8.0
Consumer	$52,240 (99)	12.0
Top one-third	$72,934 (66)	
Middle one-third	$40,118 (67)	
Bottom one-third	$26,731 (67)	

	Average		Average Business		Average Consumer	
By region:						
Northeast	$53,906	(80)	$45,128	(35)	$60,733	(45)
South	40,981	(40)	42,643	(20)	39,319	(20)
North central	38,463	(47)	37,616	(33)	40,460	(14)
Western	46,708	(32)	32,604	(11)	54,300	(20)
By sex:						
Male	$53,151	(74)	$48,179	(34)	$57,377	(40)
Female	42,535	(126)	36,858	(66)	48,758	(59)
By age:						
29 or less	$33,156	(46)	$31,153	(26)	$35,760	(20)
30–39	51,025	(84)	45,341	(31)	54,434	(52)
40 or more	49,732	(70)	43,144	(43)	60,223	(27)
By years in circulation:						
Up to 3	$36,387	(45)	$27,649	(23)	$45,521	(22)
4–10	44,111	(97)	40,435	(43)	47,038	(54)
More than 10	58,656	(57)	50,397	(33)	70,882	(23)
Eligible for bonus/incentive:						
Yes	$49,974	(95)	$45,629	(45)	$53,963	(49)
No	43,286	(105)	36,680	(55)	50,553	(50)
By employees supervised:						
None/one	$36,705	(64)	$30,367	(27)	$41,331	(37)
2–5	44,097	(90)	39,598	(48)	49,239	(42)
More than 5	64,666	(46)	54,005	(25)	78,725	(20)
Responsible for:						
One magazine	$37,774	(71)	$33,924	(27)	$40,137	(44)
More than one	51,450	(128)	43,216	(73)	62,607	(54)
By circulation:*						
Up to 19,999	$31,794	(16)	$35,516	(9)	$27,009	(7)
20,000–49,999	33,018	(49)	33,272	(41)	31,713	(8)
50,000–99,999	40,005	(39)	40,770	(22)	38,328	(16)
100,000–499,999	51,260	(75)	51,335	(26)	51,220	(49)
500,000 or more	78,211	(19)	67,000	(1)	78,833	(18)
By frequency:*						
Weekly/biweekly	$51,660	(17)	$54,172	(12)	$45,634	(5)
Monthly	48,375	(140)	39,552	(76)	58,992	(63)
Other	38,183	(43)	34,558	(12)	39,586	(31)
By circulation type:*						
Paid	$51,150	(127)	$45,386	(33)	$53,207	(93)
Nonpaid	38,468	(70)	38,581	(65)	37,000	(5)

*Refers to the largest circulation magazine on which respondent works.

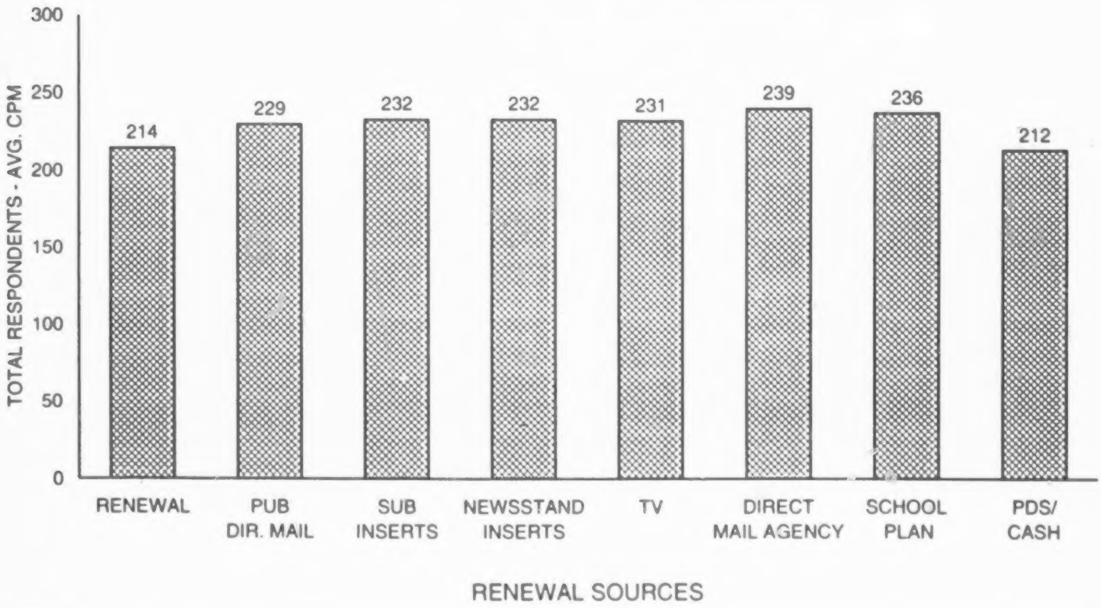
Source: *Folio* Magazine, 1991.

TOTAL CPM FOR DM CONTROL PACKAGE



Source: Capell's Circulation Report, 1992

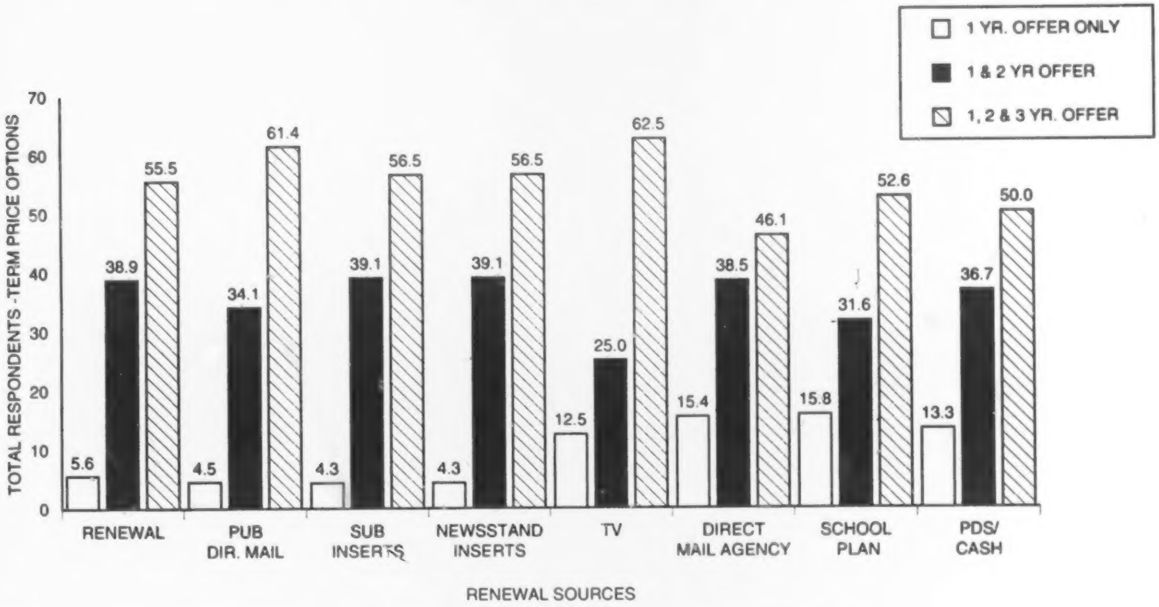
AVERAGE COST PER THOUSAND FOR RENEWAL EFFORTS IN THE MAIL



Source: DMA Consumer Magazine Renewal Survey, 1992

TERM/PRICE OPTIONS

Respondents place more emphasis on the 1st, 2nd and 3rd year combinations, as indicated in the graph below.



Source: DMA Consumer Magazine Renewal Survey, 1992.

NUMBER OF ABC-AUDITED CONSUMER MAGAZINE SUBSCRIPTIONS SOLD, BY CHANNEL OF DISTRIBUTION

CHANNEL	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Direct Mail	140,128	149,997	162,542	182,177	189,263	183,187	196,023	196,794	191,767	188,222
Catalog Agencies	3,598	3,942	3,391	3,798	3,856	3,880	3,878	3,743	3,161	3,744
Publisher's Own	3,320	3,365	3,473	3,109	2,287	2,047	2,762	3,122	2,913	3,073
Independents	6,302	6,250	6,404	7,265	7,611	7,946	8,857	8,967	9,597	10,143
Newspaper Agencies	93	62	41	32	37	57	34	36	66	53
Schools, Churches	8,506	8,537	8,353	7,841	8,039	8,028	8,316	10,695	9,472	9,882
Association Memberships	32,841	37,892	43,638	41,994	48,356	54,323	57,717	58,462	59,496	69,657
All Other	5,349	5,481	5,562	5,028	5,212	5,059	3,389	3,391	3,412	2,481
Total Sold	200,137	215,526	233,404	251,244	264,661	265,126	280,976	285,209	279,884	287,255

Source: David Foster and Associates, Inc., as compiled from ABC Publishers Statements, 1991

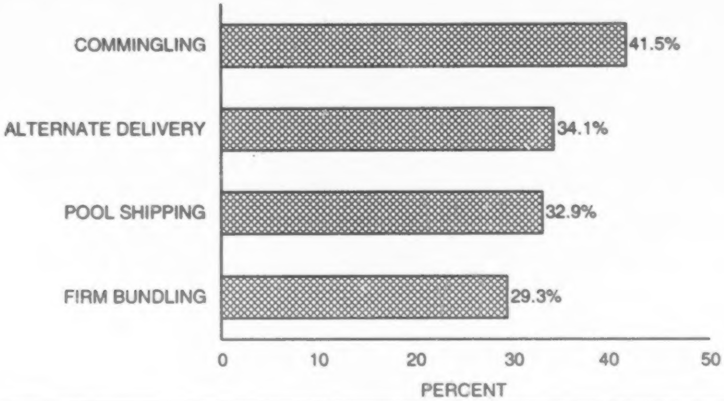
PERCENT OF ABC–AUDITED CONSUMER MAGAZINE SUBSCRIPTIONS SOLD, BY CHANNEL OF DISTRIBUTION

CHANNEL	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Direct Mail	70.02%	69.60%	69.64%	72.51%	71.51%	69.32%	69.77%	69.00%	68.52%	65.52%
Catalog Agencies	1.80%	1.83%	1.45%	1.51%	1.46%	1.46%	1.38%	1.31%	1.13%	1.30%
Publisher's Own	1.66%	1.56%	1.49%	1.24%	0.86%	0.77%	0.98%	1.09%	1.04%	1.07%
Independents	3.15%	2.90%	2.74%	2.89%	2.88%	3.00%	3.15%	3.14%	3.43%	3.53%
Newspaper Agencies	0.05%	0.03%	0.02%	0.01%	0.01%	0.02%	0.01%	0.01%	0.02%	0.02%
Schools, Churches	4.25%	3.96%	3.58%	3.12%	3.04%	3.03%	2.96%	3.75%	3.38%	3.44%
Association Memberships	16.41%	17.58%	18.70%	16.71%	18.27%	20.49%	20.54%	20.50%	21.26%	24.25%
All Other	2.67%	2.54%	2.38%	2.00%	1.97%	1.91%	1.21%	1.19%	1.22%	0.86%
Total Sold	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: David Foster and Associates, Inc., as compiled from ABC Publishers Statements, 1991.

DELIVERY METHODS UTILIZED

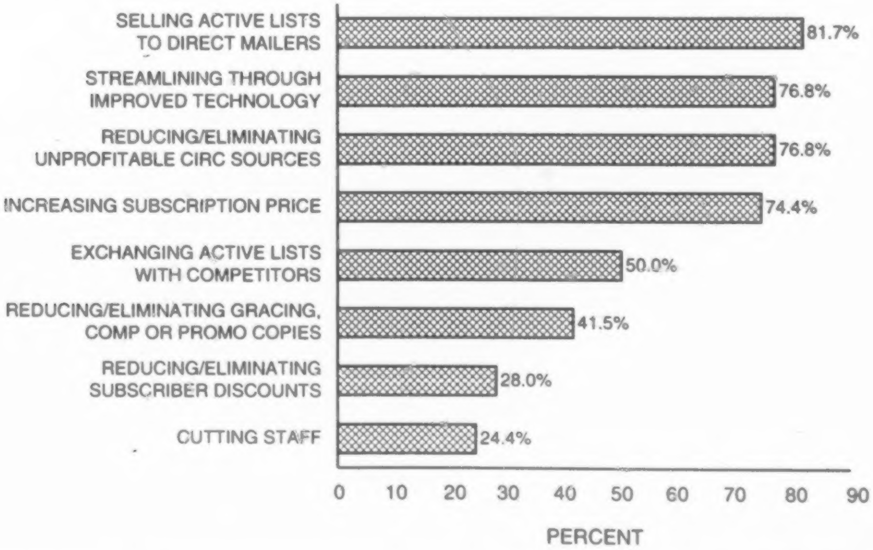
In late 1990, *Folio* Magazine surveyed 480 circulation executives to find out what magazines are doing to position their circulation departments to generate more profits. An 18% response rate was achieved. The chart below represents several delivery methods circulators are exploring to save on postage costs.



Source: *Folio* Magazine, 1991.

STRATEGIES UTILIZED TO IMPROVE PROFITABILITY

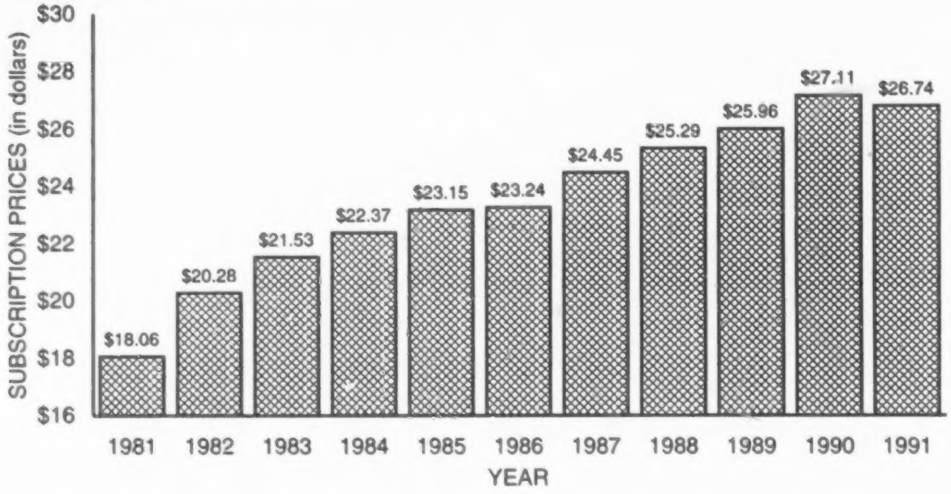
Three-quarters of the circulation executives surveyed reported using new technology to generate more profits.



Source: *Folio* Magazine, 1991.

SUBSCRIPTION PRICE TRENDS

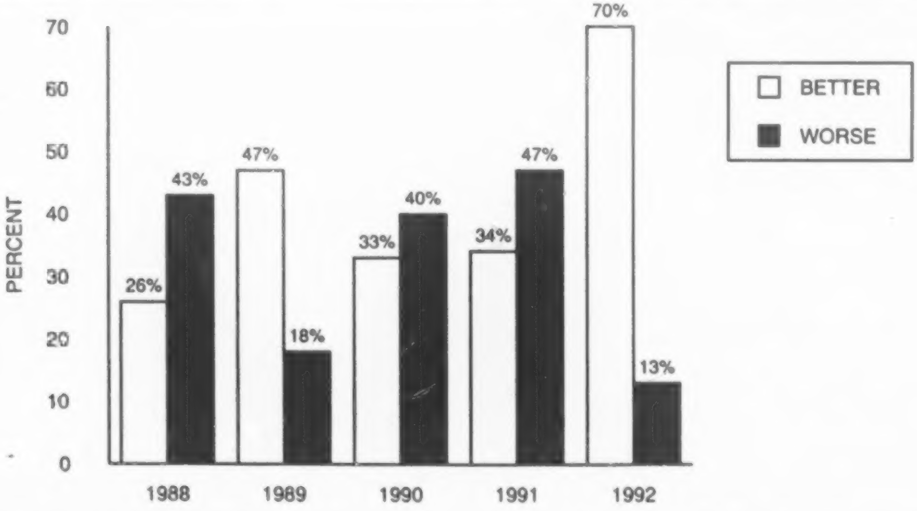
Following moderate price rises in subscriptions in every year since 1960, the average subscription price actually decreased slightly in 1991, most likely reflecting the effects of the recession.



Source: Magazine Publishers of America, 1991.

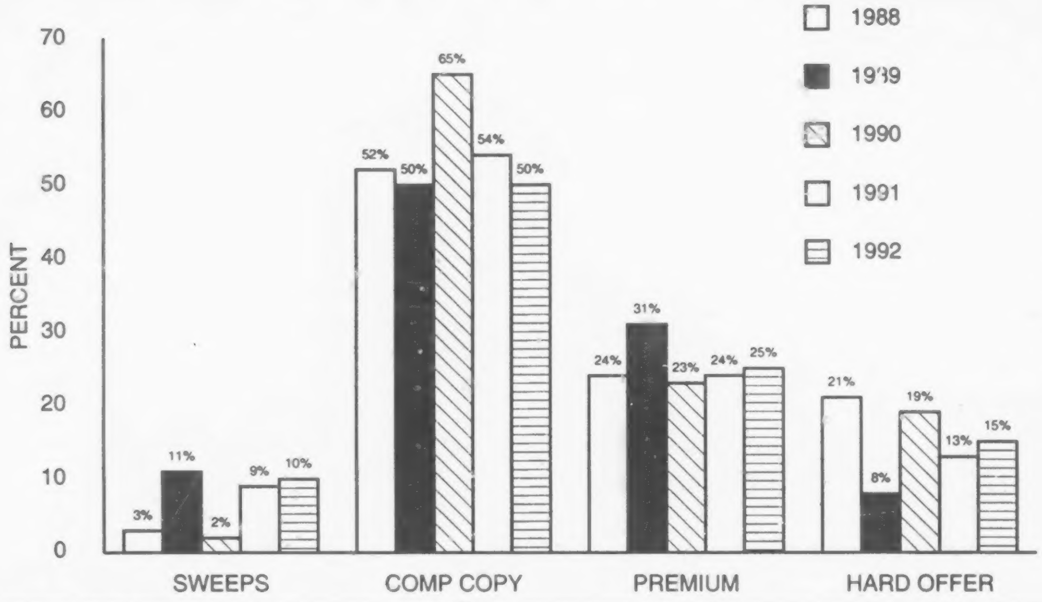
OVERALL RESPONSE OF YEAR-END MAILING vs. PRIOR YEAR

Capell's Circulation Report conducts a biannual industry survey among more than 100 consumer magazine circulation professionals. Results are representative of the ABC consumer magazine marketplace. The findings below are from the spring 1992 industry survey.



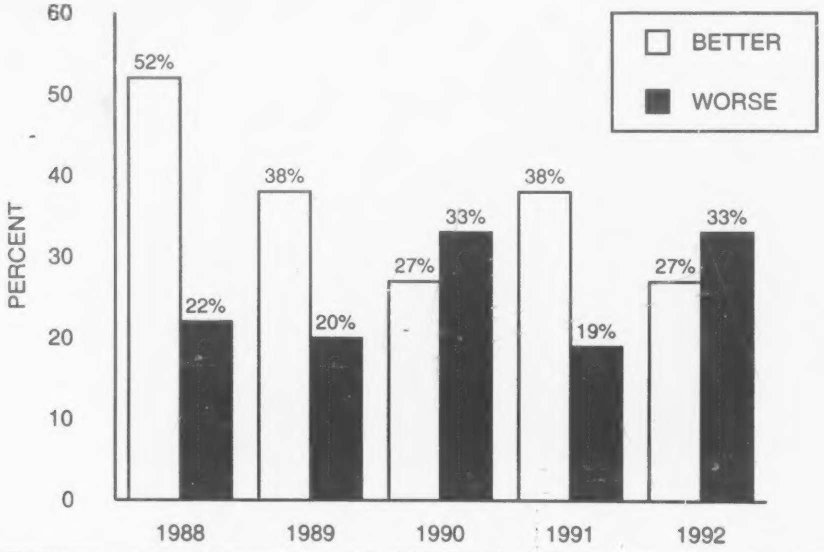
Source: Capell's Circulation Report, 1992

DIRECT MAIL CONTROL OFFER USED IN CONSUMER MAGAZINE MARKETPLACE



Source: Capell's Circulation Report, 1992.

INSERT CARD PERFORMANCE vs. PRIOR YEAR

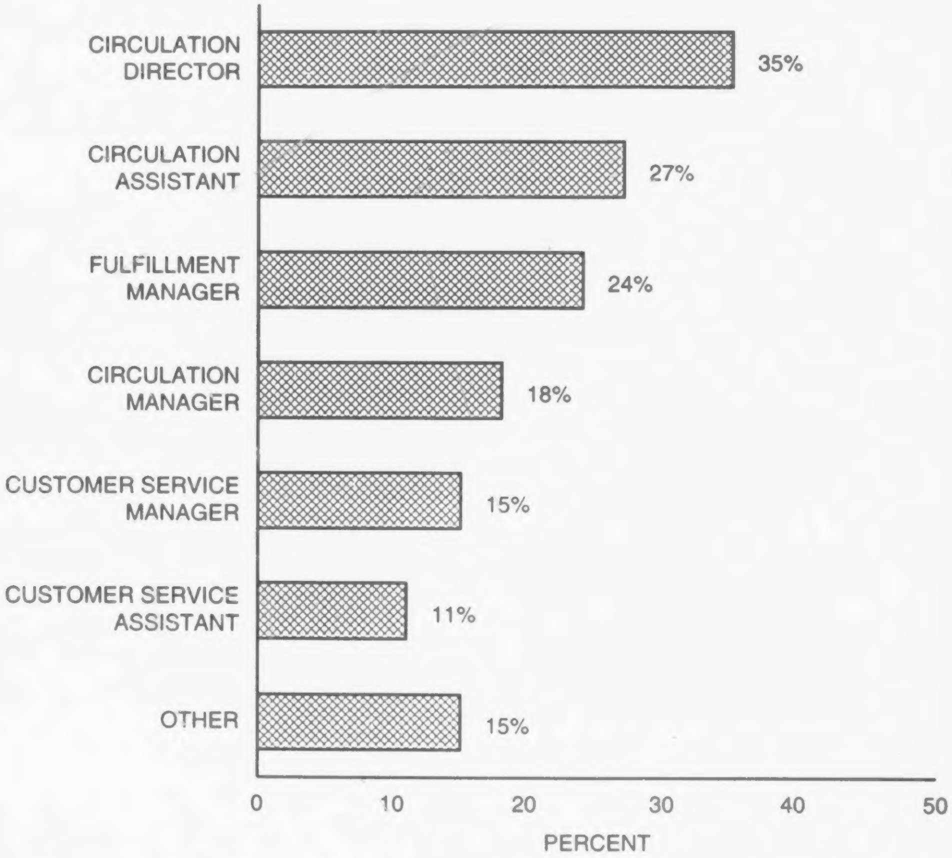


Source: Capell's Circulation Report, 1992

The DMA Circulation Council's Consumer Magazine Customer Service Study was conducted in early summer 1992, among 234 consumer magazines. There were 65 respondents, or a 27.8 percent response rate.

TITLE OF INDIVIDUAL RESPONSIBLE FOR CUSTOMER SERVICE

Based on the title of the individual responsible for customer service, it is considered an important function.

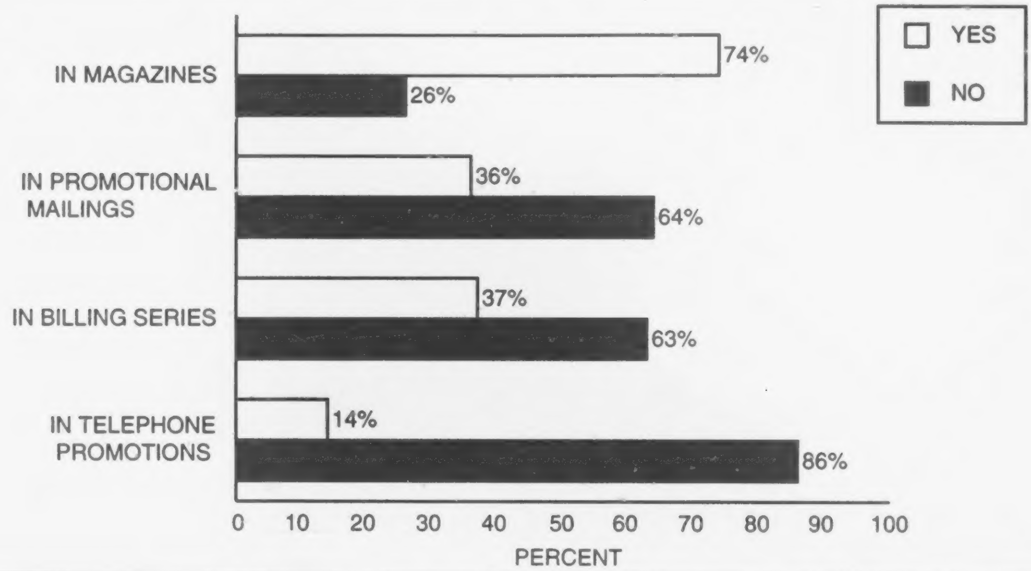


Note: Total will not equal 100% due to multiplicity of response.

Source: DMA Consumer Magazine Customer Service Study, 1992.

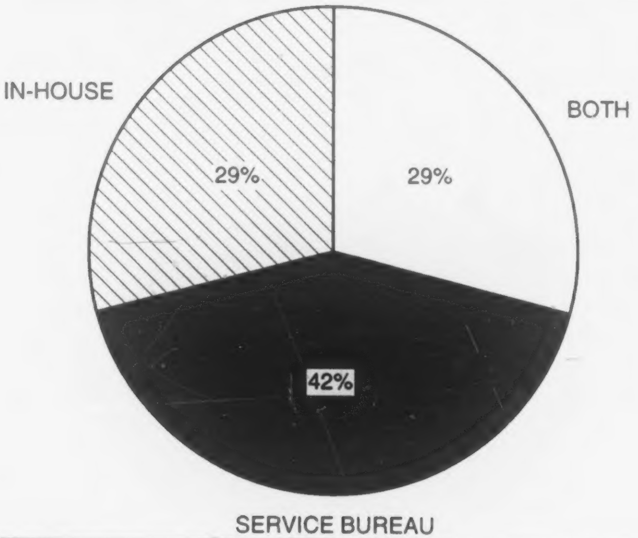
PROMOTION OF 800 NUMBERS FOR CUSTOMER SERVICE

The majority promote the use of an 800 number for customer service in their magazine. None of the respondents is using a 900 number for customer service—or COA's.



Source: DMA Consumer Magazine Customer Service Study, 1992.

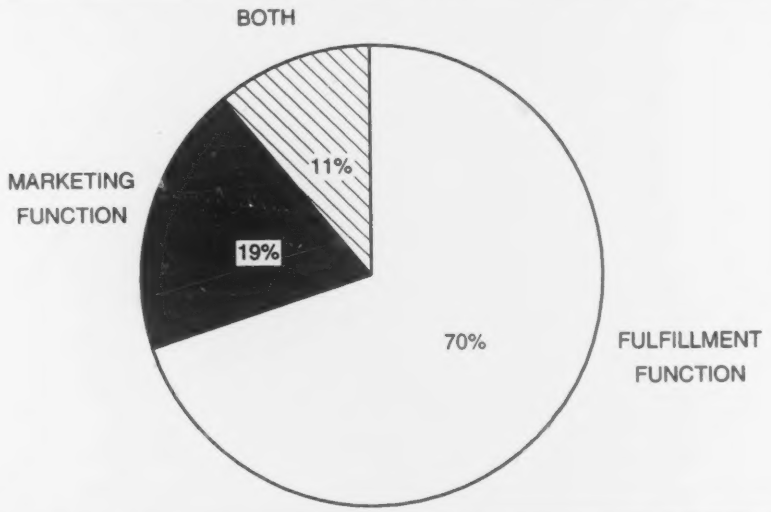
CUSTOMER SERVICE HANDLED BY A SERVICE BUREAU vs. IN-HOUSE



Source: DMA Consumer Magazine Customer Service Study, 1992.

CUSTOMER SERVICE CONSIDERED MARKETING OR FULFILLMENT FUNCTION

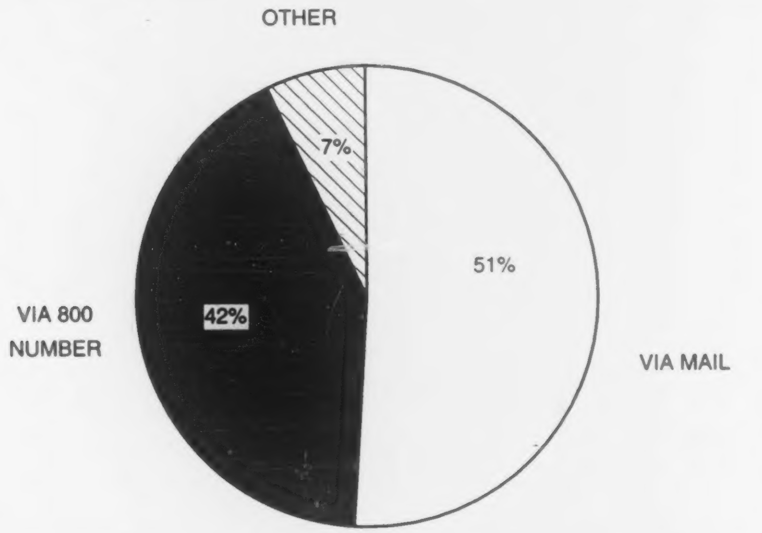
Surprisingly, only 11% consider customer service to be both a marketing and fulfillment function.



Source: DMA Consumer Magazine Customer Service Study, 1992.

MIX OF CUSTOMER SERVICE INQUIRIES

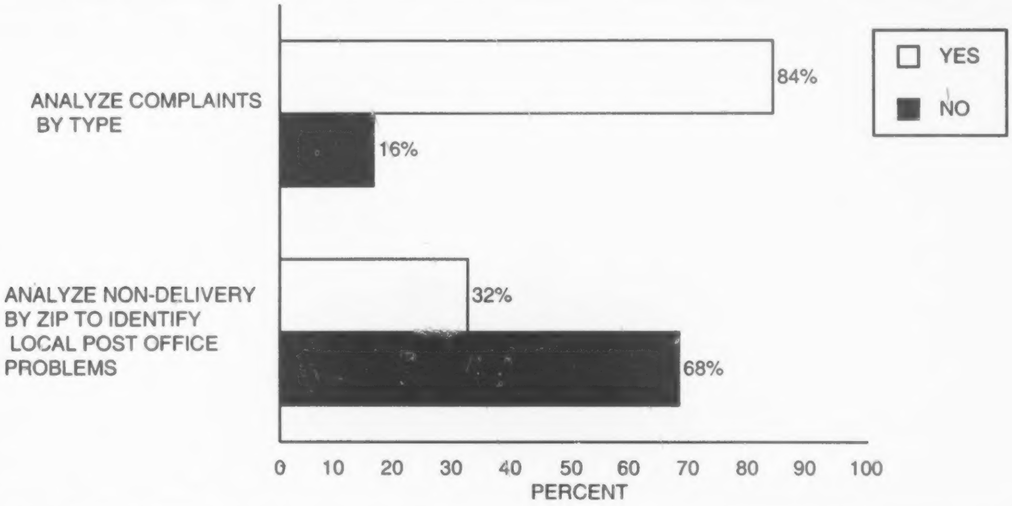
51% of customer service inquiries are received via the mail and a surprisingly high 42% via 800 number.



Source: DMA Consumer Magazine Customer Service Study, 1992.

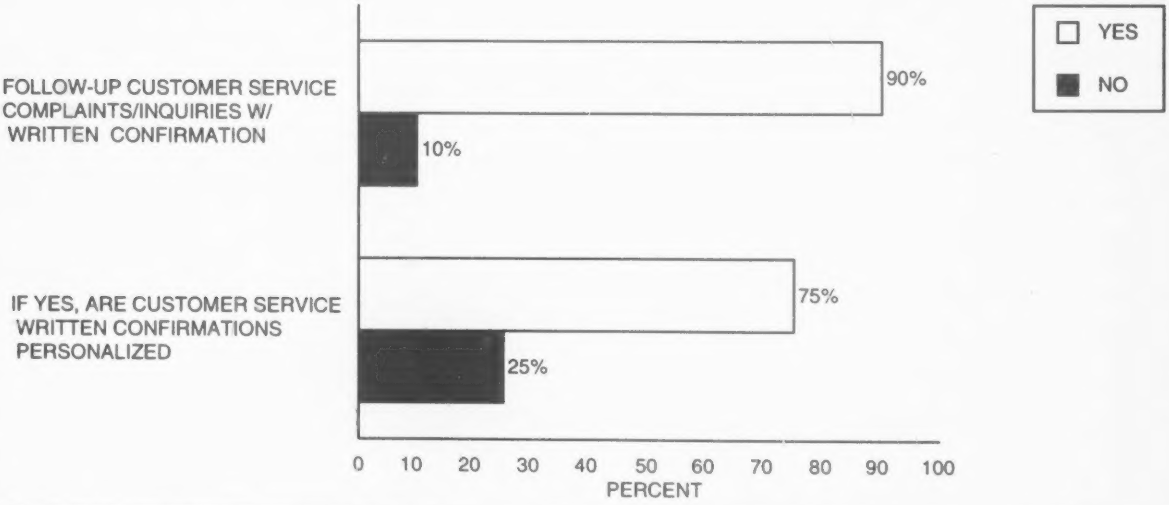
CIRCULATION CUSTOMER COMPLAINT ANALYSIS PRACTICES

Only 32% analyze non-delivery by ZIP to identify local post office problems—however, any significant opportunity here is probably limited to the larger subscription files.



Source: DMA Consumer Magazine Customer Service Study, 1992.

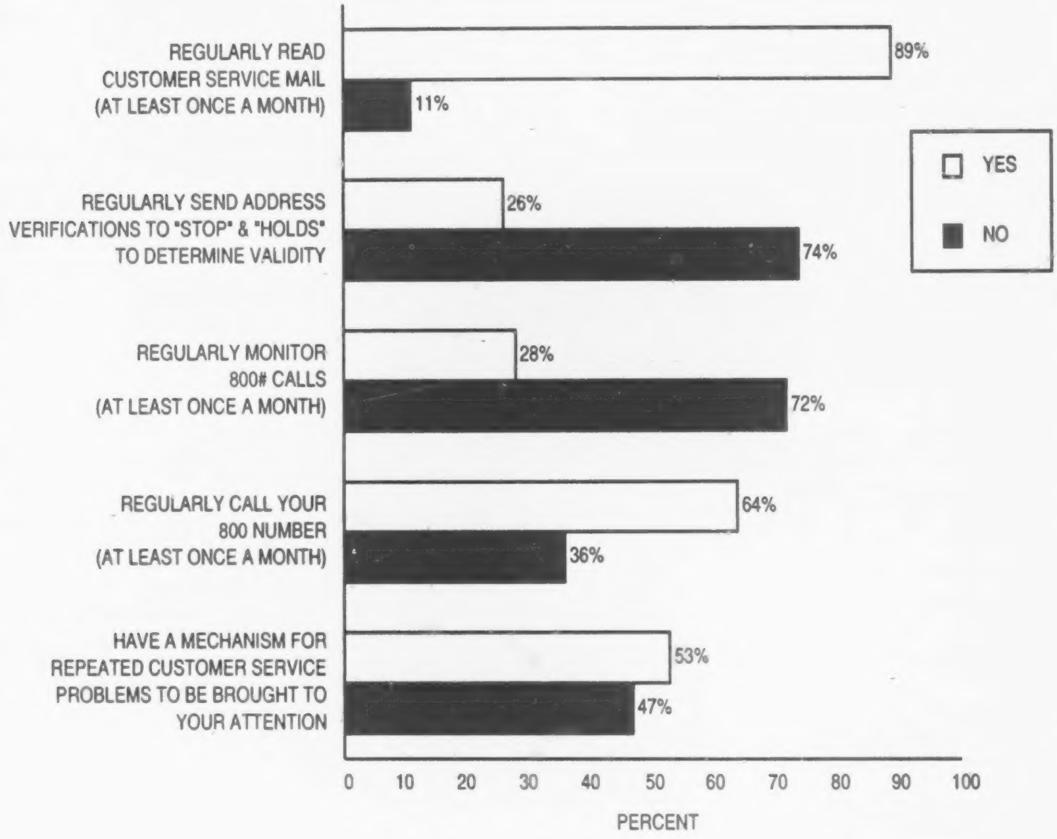
CIRCULATION CUSTOMER COMPLAINT FOLLOW-UP PRACTICES



Source: DMA Consumer Magazine Customer Service Study, 1992.

PRACTICES FOR HANDLING CUSTOMER SERVICE ISSUES

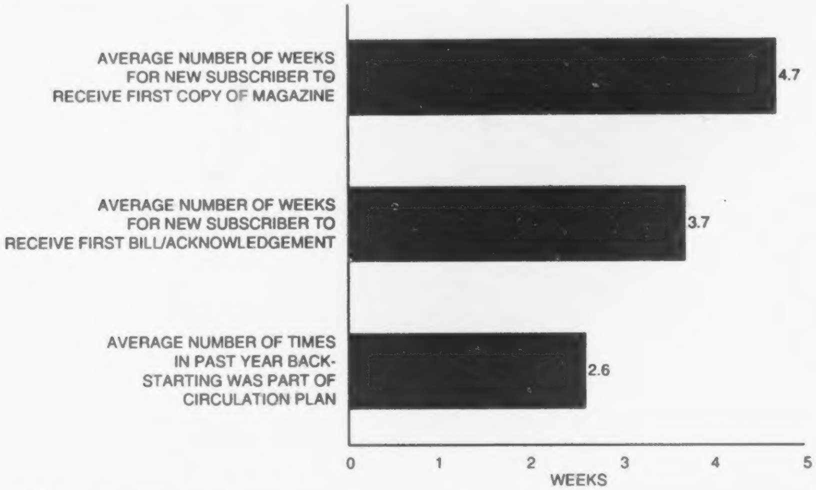
While 89% of respondents regularly read customer service mail, only 28% take the time to monitor their subscribers via 800 inbound calls.



Source: DMA Consumer Magazine Customer Service Study, 1992.

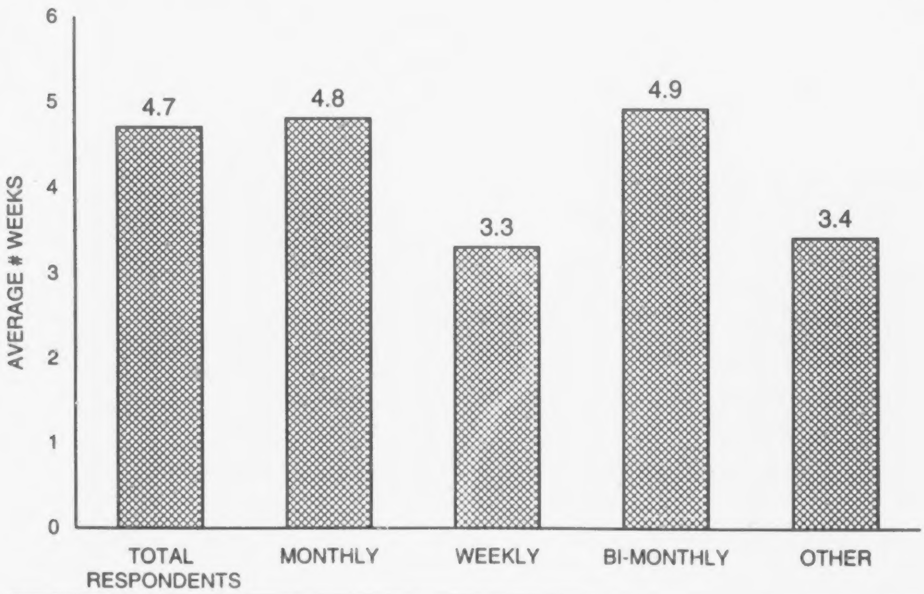
NEW SUBSCRIBER INFORMATION

The industry is somewhat more efficient in sending out first bills than it is in sending out the initial copy of a subscription order.



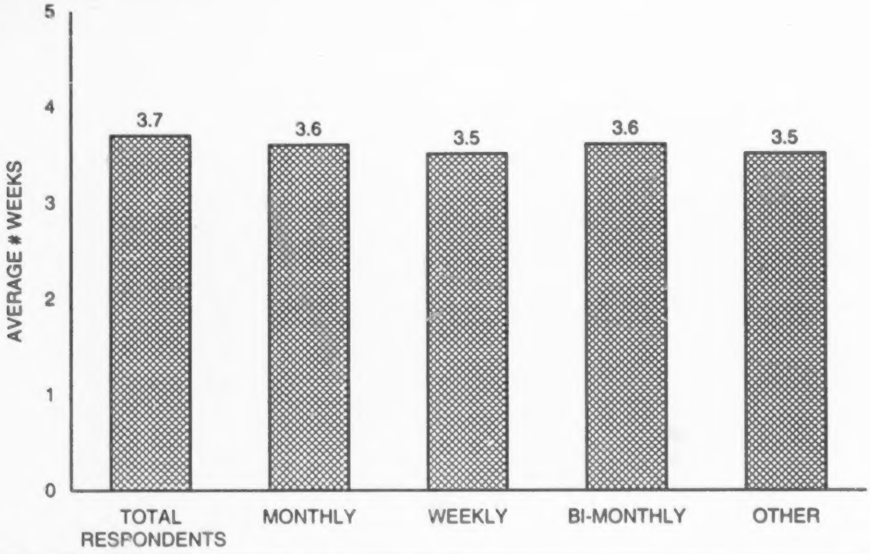
Source: DMA Consumer Magazine Customer Service Study, 1992.

AVERAGE NUMBER OF WEEKS FOR NEW SUBSCRIBER TO RECEIVE FIRST COPY



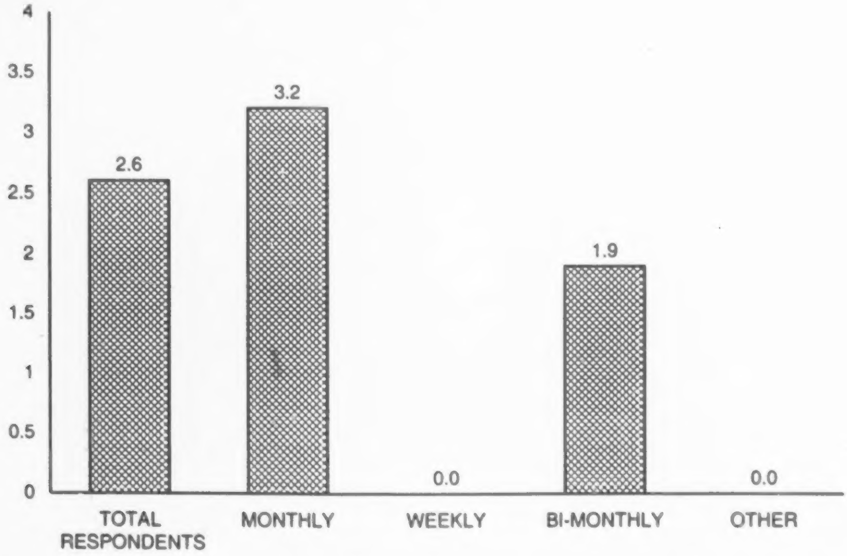
Source: DMA Consumer Magazine Customer Service Study, 1992

AVERAGE NUMBER OF WEEKS FOR SUBSCRIBER TO RECEIVE FIRST BILL/ACKNOWLEDGEMENT



Source: DMA Consumer Magazine Customer Service Study, 1992.

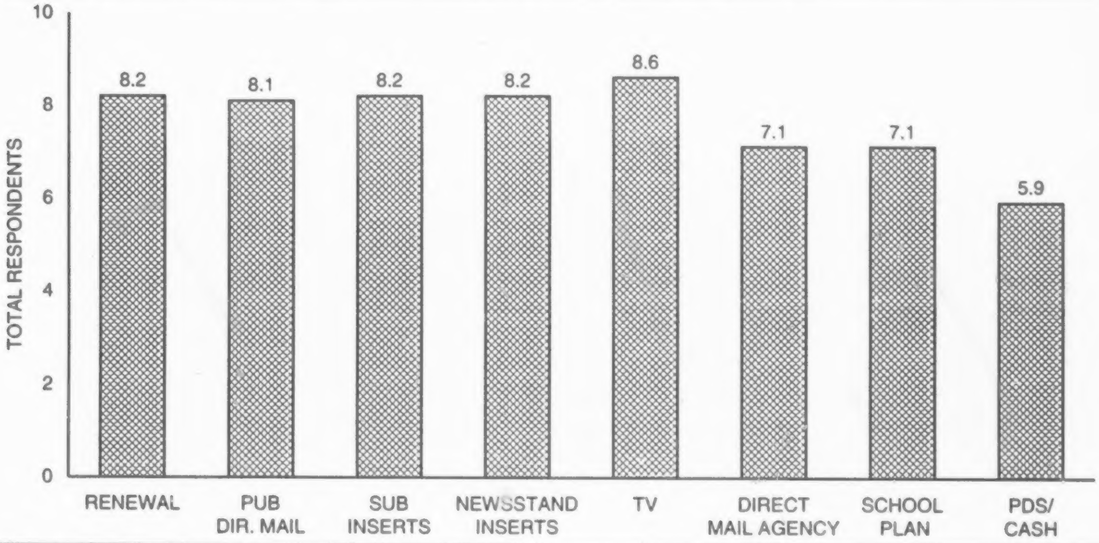
AVERAGE NUMBER OF TIMES IN PAST YEAR BACKSTARTING PART OF CIRCULATION PLAN



Source: DMA Consumer Magazine Customer Service Study, 1992.

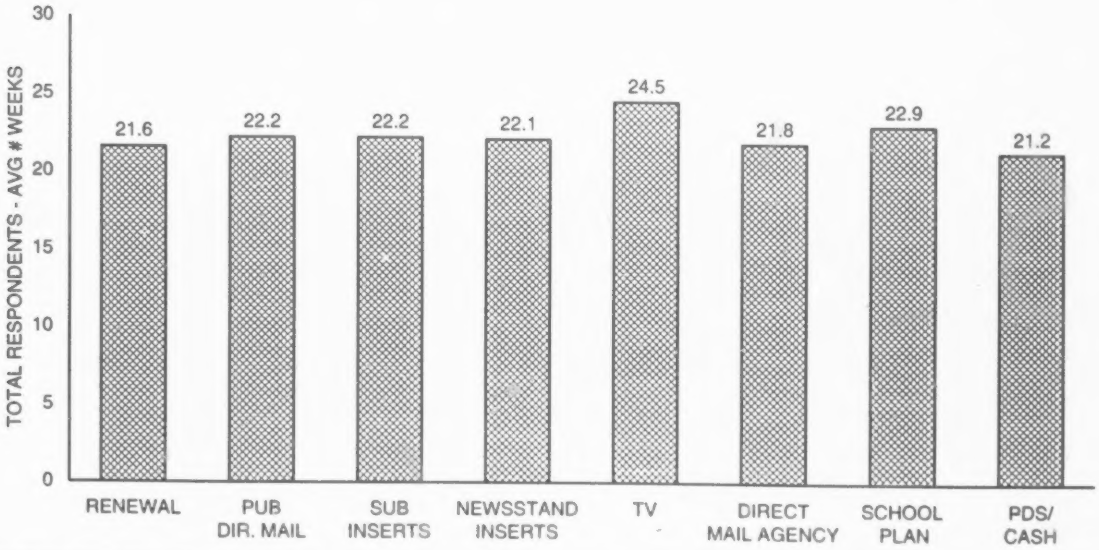
AVERAGE NUMBER OF RENEWAL EFFORTS

DMA's Circulation Council's Consumer Magazine Renewal Survey was mailed to 180 consumer magazine circulation professionals. Responses were received from 57 participants, for a response rate of 32%.



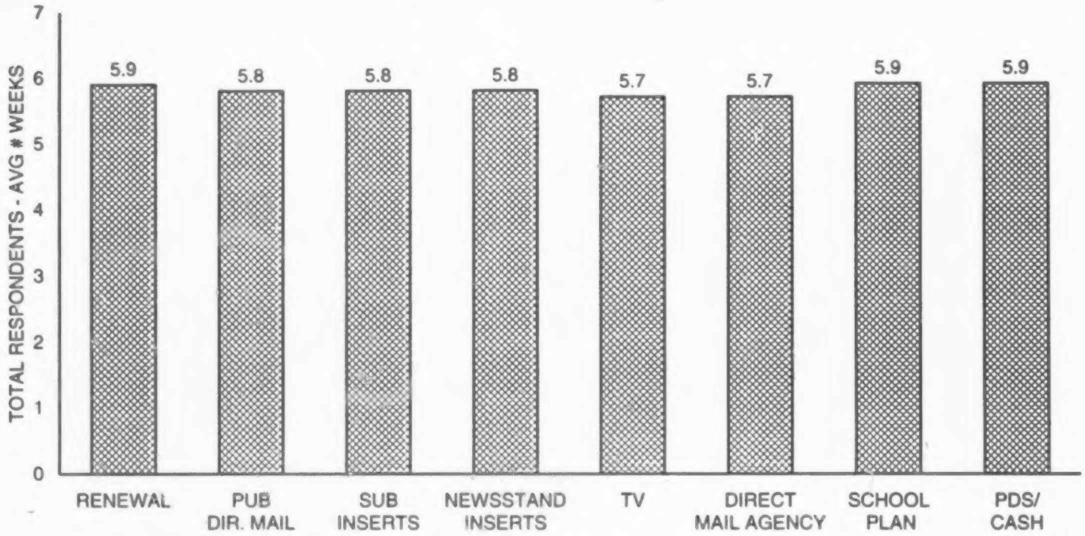
Source: DMA Consumer Magazine Renewal Survey, 1992.

EFFORT TIMING: FIRST EFFORT PRIOR TO EXPIRE ISSUE SHIPMENT DATE



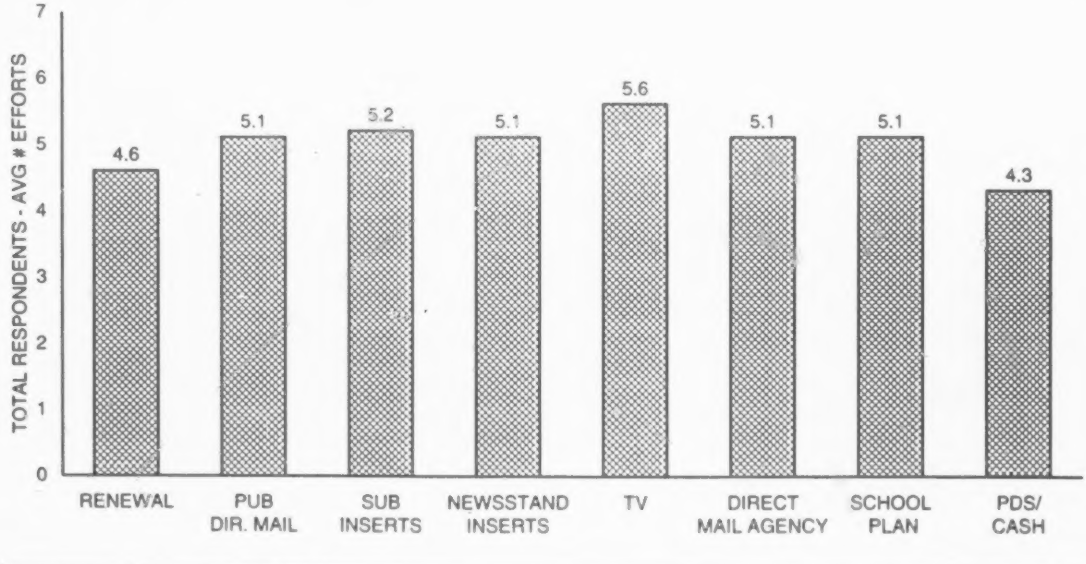
Source: DMA Consumer Magazine Renewal Survey, 1992.

TIMING BETWEEN EFFORTS:
NUMBER OF WEEKS BETWEEN FIRST AND SECOND EFFORT



Source: DMA Consumer Magazine Renewal Survey, 1992.

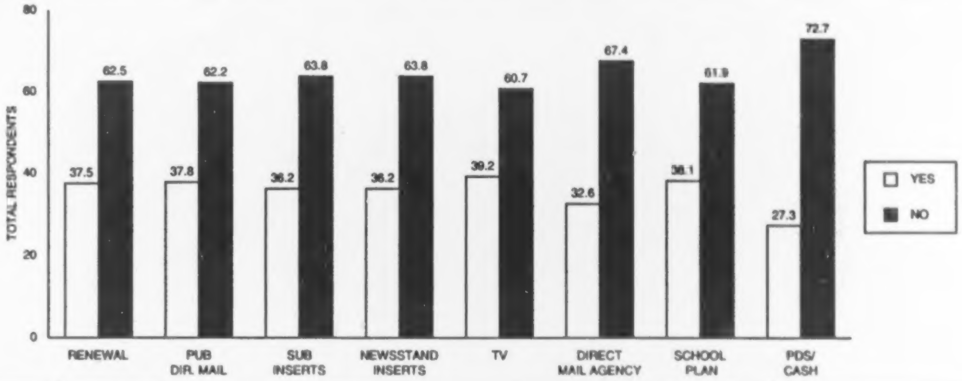
AVERAGE NUMBER OF RENEWAL EFFORTS MAILED TO EACH EXPIRING NAME



Source: DMA Consumer Magazine Renewal Survey, 1992

DO YOU CHANGE THE TERM PRICE OFFER AT ANY POINT DURING THE SERIES

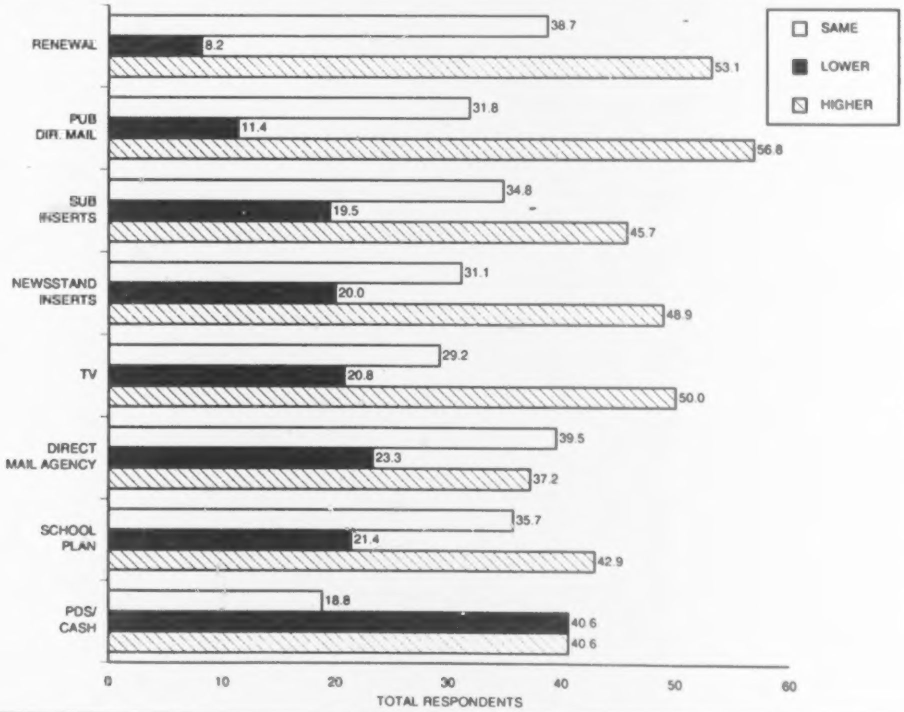
In all cases, the majority of respondents (over 60%) keep the term price offer consistent during the series.



Source: DMA Consumer Magazine Renewal Survey, 1992.

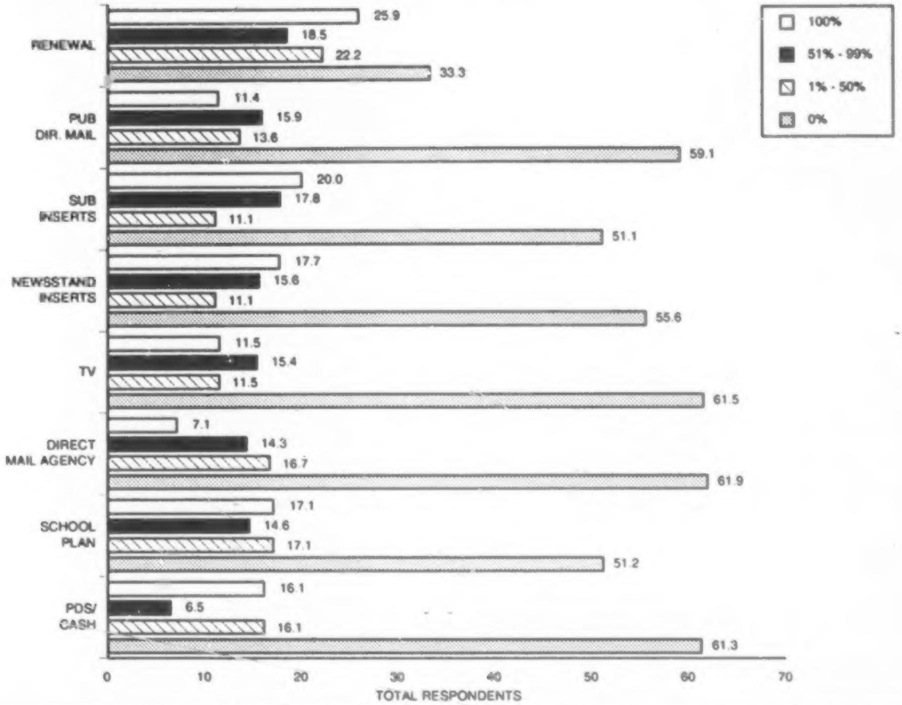
RENEWAL PRICING STRATEGY: HIGHER, LOWER OR SAME AS INTRO

There is a definite tendency to step up pricing across the board. Lower conversion prices are more predominate with Agency sources.



Source: DMA Consumer Magazine Renewal Survey, 1992.

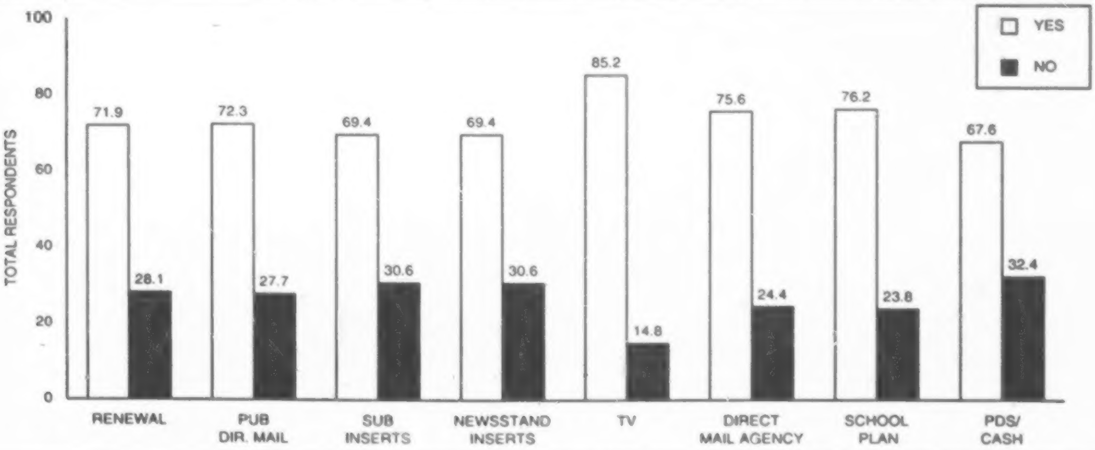
PERCENT OF RENEWALS SOLD AT BASIC PRICE



Source: DMA Consumer Magazine Renewal Survey, 1992.

PROMOTE RENEWALS BY TELEPHONE

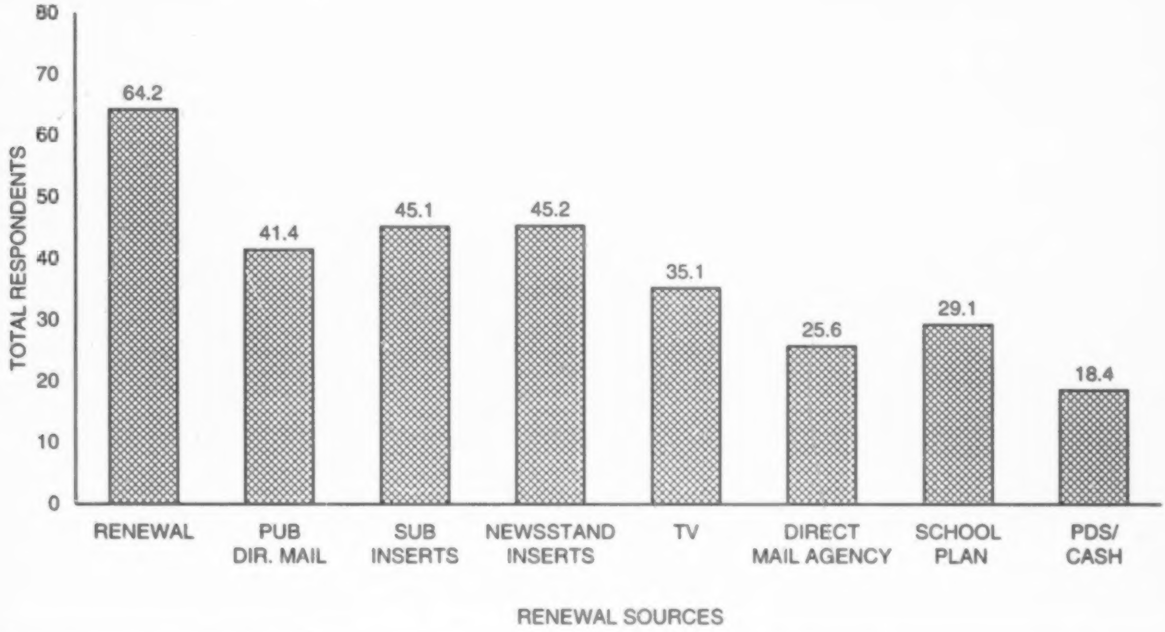
The proportion of respondents promoting renewals by telephone was fairly consistent across the board, at about 70%.



Source: DMA Consumer Magazine Renewal Survey, 1992

AVERAGE RENEWAL RATE: TOTAL RESPONSES FROM DIRECT MAIL AS A PERCENT OF EXPIRED QUANTITY

Average renewal rate ranges from better than 60% on renewal sources to less than 20% on PDS/cash sources.



Source: DMA Consumer Magazine Renewal Survey, 1992.

• NON-PROFIT

CONSUMER ATTITUDES

BUYING HABITS

TRENDS

THIRD-CLASS NON-PROFIT TREATMENT OF MAIL PIECE BY SHAPE

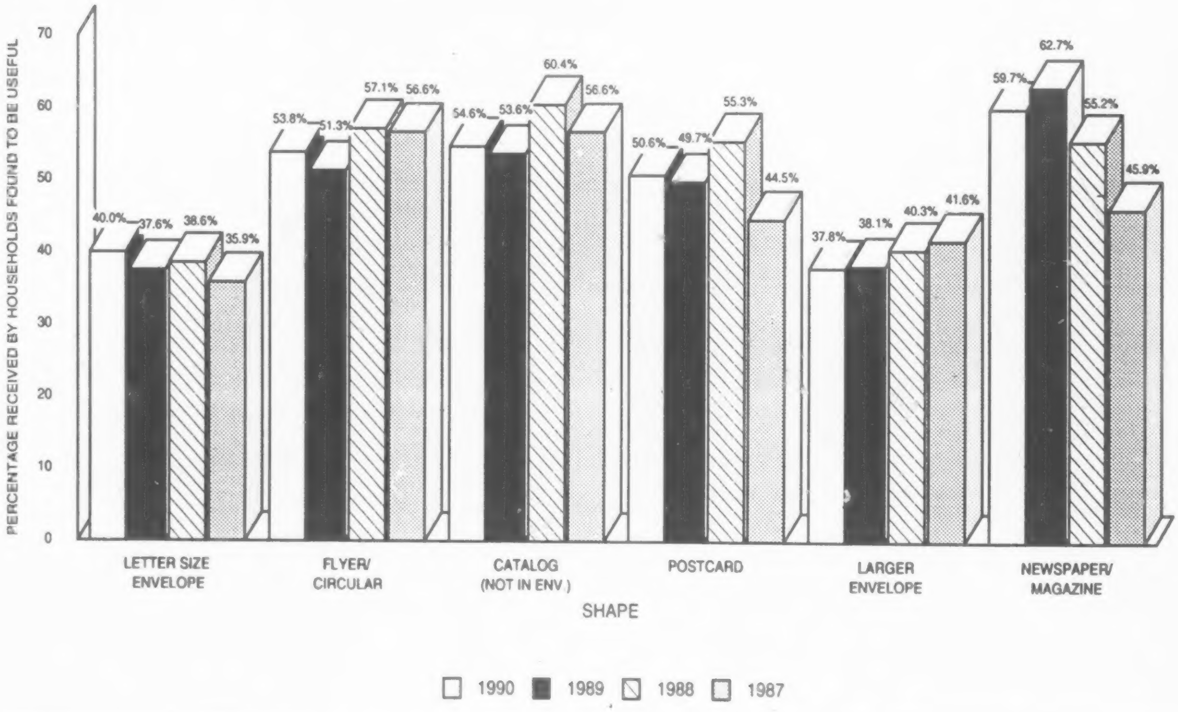
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

	Letter Size Envelope		Larger Than Letter Envelope		Postcard		Catalog Not In Envelope		Flyers		Newspapers/ Magazines	
	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990
Read	47.2	51.9	47.0	44.9	65.4	62.8	48.3	40.4	54.3	56.9	45.7	52.9
Looked At	23.5	22.7	25.7	28.4	18.6	15.6	21.8	30.7	17.8	21.2	10.9	16.0
Discarded	12.6	13.0	12.1	13.9	8.3	13.9	8.4	7.4	12.0	10.1	5.9	9.4
Set Aside	5.7	5.4	6.4	6.1	0.5	0.5	18.3	19.0	9.7	6.1	13.3	13.0
Don't Know/ No Answer	10.9	7.0	8.8	6.7	7.3	7.0	3.3	2.5	6.2	5.8	24.2	8.6

Source: USPS Household Diary Study, 1989 & 1991.

THIRD-CLASS NON-PROFIT MAIL: USEFULNESS

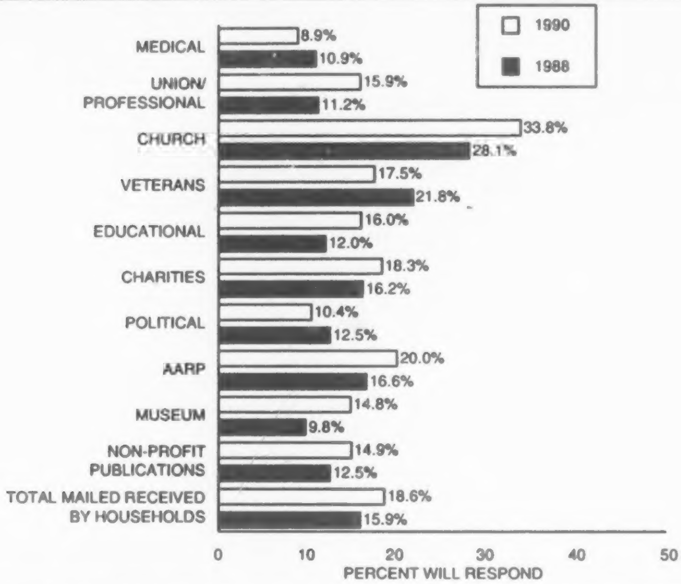
BY SHAPE, POSTAL YEARS 1987–1990



Source: USPS Household Diary Study, 1989 & 1991

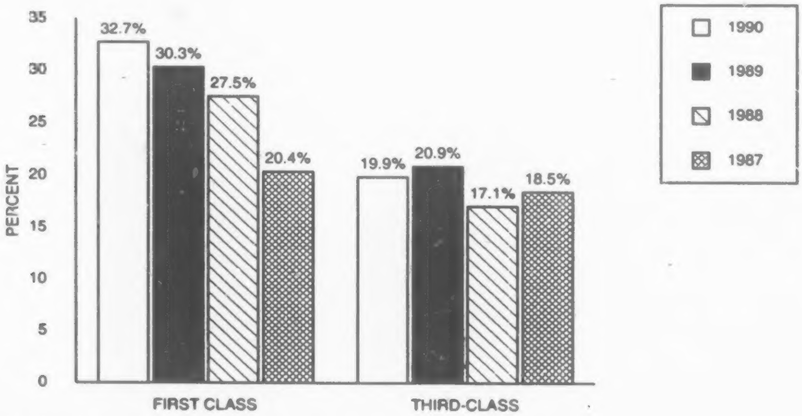
THIRD-CLASS NON-PROFIT RESPONSE BY INDUSTRY
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

The greatest proportion of survey individuals (33.8%), note they will respond to third-class, non-profit mail relating to the church, with a rise compared to 1988.



Source: USPS Household Diary Study, 1989 & 1991.

RESPONSE RATES TO NON-PROFIT* ADVERTISING
FIRST-CLASS vs. THIRD-CLASS



*Includes social, charitable and political mail.

Source: USPS Household Diary Study, 1991.

THIRD-CLASS NON-PROFIT REACTION BY INDUSTRY
POSTAL YEARS 1987–1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

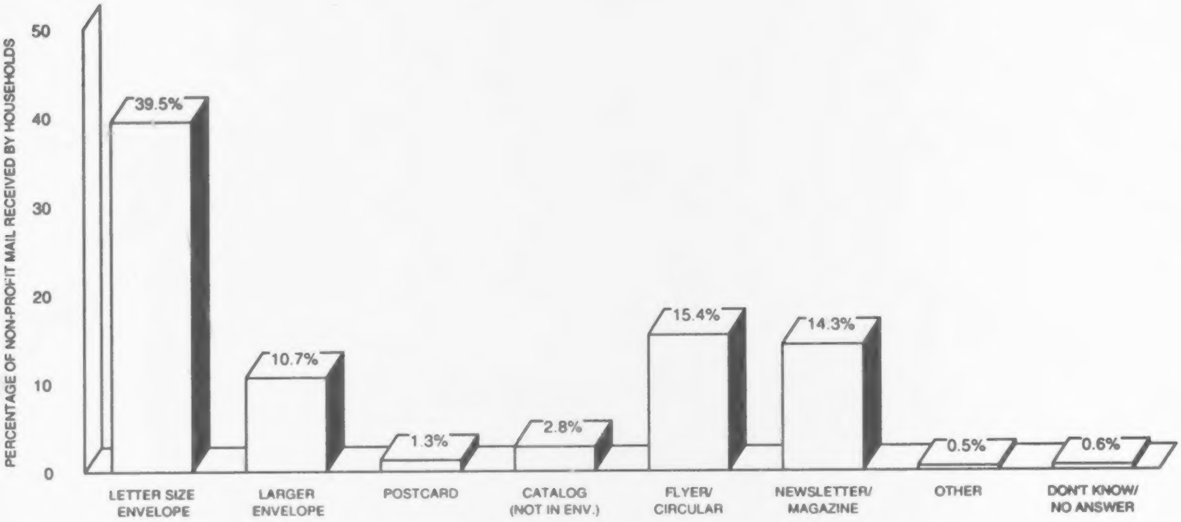
From 1987–1990, the proportion of respondents immediately reading mail related to political, AARP, and non-profit publications have experienced the most noticeable increase.

	PERCENT READ IMMEDIATELY				PERCENT SET ASIDE				PERCENT FOUND USEFUL			
	1987	1988	1989	1990	1987	1988	1989	1990	1987	1988	1989	1990
Medical Professional	46.3	46.1	47.5	49.4	8.1	7.3	4.7	6.7	46.1	45.1	44.1	43.8
Union or Professional	50.1	52.6	52.6	48.2	8.5	8.3	8.3	10.0	51.6	54.4	51.8	48.8
Church	64.0	62.0	62.6	65.0	6.9	7.5	7.5	6.7	59.2	58.4	62.5	62.3
Veterans	56.0	49.5	61.7	49.2	9.5	6.5	3.5	6.3	44.3	37.2	40.0	39.2
Educational	48.0	50.8	49.7	51.4	7.0	9.4	8.2	9.3	49.1	53.4	50.5	52.2
Charities	44.6	40.4	41.2	43.9	7.2	5.7	6.2	6.3	28.3	27.9	28.6	32.1
Political	40.6	38.4	41.7	51.8	6.1	8.2	4.5	1.5	31.8	31.4	23.0	40.9
AARP	46.1	55.3	52.2	58.8	10.7	4.1	6.7	8.1	40.9	48.7	49.2	54.4
Museum	53.6	43.4	43.9	49.8	8.4	5.2	3.7	10.4	44.3	43.5	42.8	55.0
Nonprofit Publications	39.8	44.0	41.0	48.5	8.8	9.1	8.1	5.7	39.3	42.3	40.0	43.3
Total Mail Received by Households	49.5	49.3	50.2	51.7	7.6	7.7	7.2	7.3	43.8	44.8	45.5	46.2

Source: USPS Household Diary Study, 1988–1991.

THIRD-CLASS NON-PROFIT MAIL RECEIVED BY HOUSEHOLDS
BY SHAPE, POSTAL YEAR 1990

Nearly 40% of respondents note the third-class non-profit mail they receive is via a letter-size envelope.



Source: USPS Household Diary Study, 1991.

THIRD-CLASS NON-PROFIT CONTENT BY INDUSTRY
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

In 1990, consumers received much more non-profit mail from every category than they did in 1988.

	ADVERTISING		FUND REQUEST		OTHER		DON'T KNOW/ NO ANSWER	
	1988	1990	1988	1990	1988	1990	1988	1990
Medical Professional	23.1	47.1	24.1	13.4	40.6	33.8	12.2	5.3
Union or Professional	26.7	35.6	15.4	20.4	52.0	38.4	5.9	5.3
Church	13.0	16.0	31.7	35.7	46.4	43.2	8.9	5.2
Veterans	17.8	28.2	47.0	55.8	27.3	10.8	7.9	5.5
Educational	34.4	43.4	15.0	14.6	46.0	37.6	4.8	4.7
Charities	6.0	8.2	81.4	81.0	7.8	5.9	4.8	4.9
Political	5.2	6.7	47.3	60.6	32.9	30.3	14.6	4.5
AARP	58.4	69.6	5.4	6.7	20.8	18.4	15.5	4.9
Museum	54.2	58.0	8.0	17.2	24.4	21.1	13.4	4.4
Nonprofit Publication	62.9	74.8	6.9	7.1	23.6	13.1	6.7	5.5
Total Mail Received By Households	26.1	31.6	34.7	39.3	31.1	23.5	8.1	5.6

Source: USPS Household Diary Study, 1989 &1991.

THIRD-CLASS NON-PROFIT MAIL USAGE BY INDUSTRY
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

	TOTAL THIRD-CLASS NON-PROFIT		TOTAL NON-CARRIER ROUTE NON-PROFIT		TOTAL CARRIER ROUTE NON-PROFIT	
	1988	1990	1988	1990	1988	1990
Medical Professional	3.2	2.8	2.5	2.1	5.5	5.5
Union or Professional	3.7	4.3	3.9	4.4	2.8	3.7
Church	14.9	14.0	16.8	16.4	7.2	5.7
Veterans	2.9	3.2	2.9	3.2	2.5	3.1
Educational	13.6	13.8	13.8	14.3	12.8	11.9
Charities	18.0	21.3	19.1	23.6	13.6	13.5
Political	1.2	1.4	0.9	1.3	2.2	1.8
AARP	3.4	2.1	3.3	2.0	4.0	2.5
Museum	0.6	0.8	0.7	0.8	0.2	1.0
Non-profit Publication	8.5	6.9	8.7	6.8	7.7	7.6
Other Social/ Charitable/Political/Non-Profit	12.5	13.8	12.9	13.8	12.2	13.7
Not from One Organization	0.4	0.4	0.3	0.2	0.8	1.2
Total Mail Received by Households	82.9	85.0	85.8	88.8	71.5	71.3

Source: USPS Household Diary Study, 1989 & 1991.

THIRD-CLASS NON-PROFIT INDUSTRY BY SHAPE
POSTAL YEARS 1988 & 1990
AS PERCENTAGE OF MAIL RECEIVED BY HOUSEHOLDS

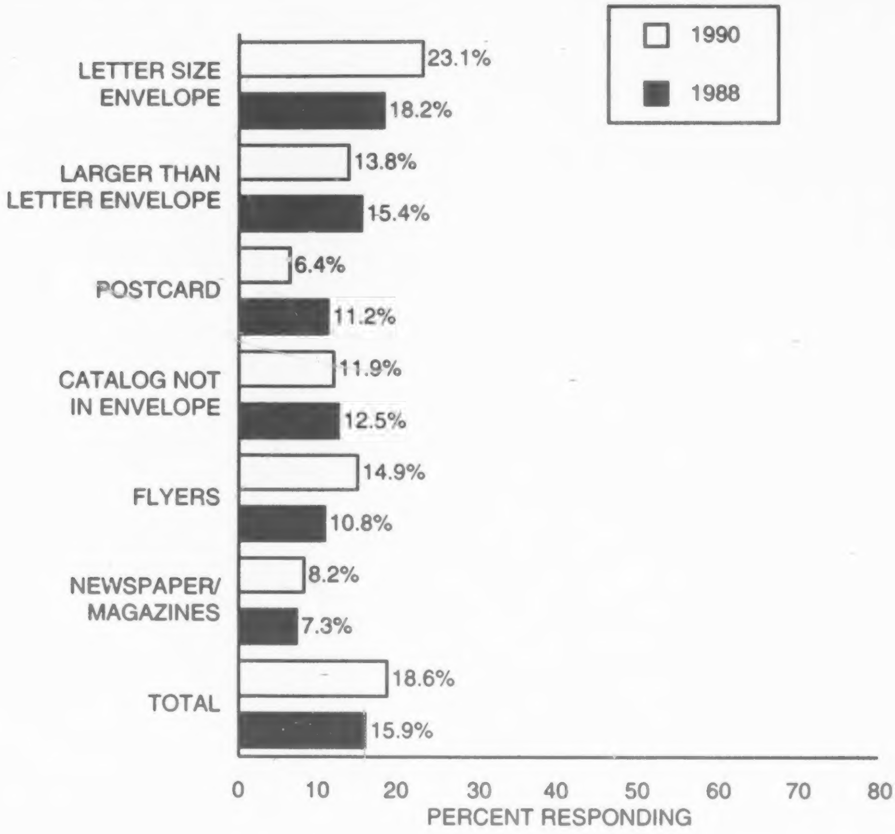
The percentage of third-class, non-profit pieces that are shaped as newspapers/magazines has risen greatly from 1988 to 1990.

	Letter Size Envelope		Larger Than Letter Envelope		Postcard		Catalog Not In Envelope		Flyers		Newspapers/ Magazines	
	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990	1988	1990
Medical Professional	32.0	21.5	8.0	7.7	3.0	3.1	4.9	1.5	50.6	38.5	1.2	24.6
Union or Professional	39.4	34.2	12.1	8.1	0.6	0.5	7.4	4.2	34.6	20.5	3.6	32.5
Church	46.4	44.0	10.2	7.2	1.4	0.9	3.4	1.5	32.7	20.6	5.2	24.5
Veterans	50.7	58.3	15.8	11.3	3.1	1.0	2.2	1.0	18.8	8.8	8.3	18.8
Educational	27.9	25.4	7.5	6.0	2.8	2.5	10.0	6.9	48.2	32.9	3.1	24.2
Charities	79.9	71.2	9.8	14.8	0.7	1.6	1.0	0.5	8.1	6.3	0.2	5.1
Political	44.1	47.6	19.4	19.3	3.5	0.6	2.4	0.0	30.1	28.7	0.4	3.7
AARP	63.1	75.1	22.4	13.5	5.9	2.1	0.6	1.2	6.4	0.6	1.3	6.7
Museum	28.9	29.2	38.5	25.1	3.4	2.5	8.6	15.9	19.1	17.7	1.6	8.0
Non-Profit Publication	38.6	39.8	32.0	30.8	0.9	1.3	6.2	2.8	15.4	4.9	15.8	18.9

Source: USPS Household Diary Study, 1991

THIRD-CLASS NON-PROFIT RESPONSE TO ADVERTISING BY SHAPE
POSTAL YEARS 1988 & 1990
(IF MAIL PIECE CONTAINED ADVERTISING OR REQUEST FOR DONATION)

Non-profit third-class mail in letter-size envelopes were most likely to inspire a response in 1990.

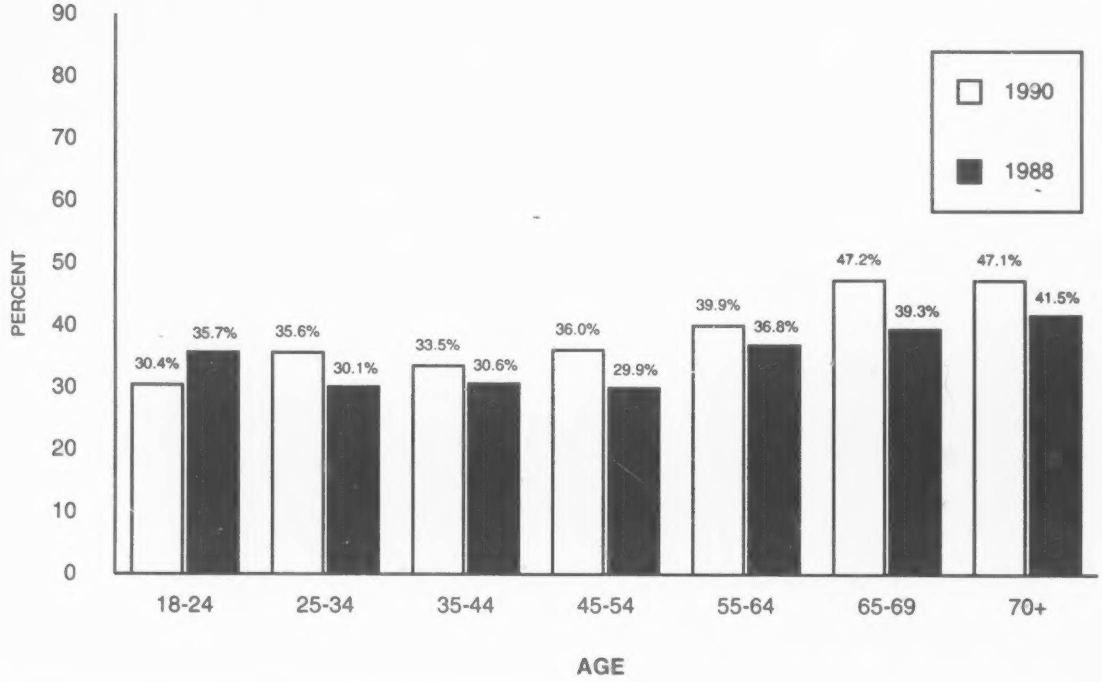


Source: USPS Household Diary Study, 1989 & 1991.

PERCENT OF THIRD-CLASS NON-PROFIT MAIL CONTAINING A REQUEST FOR DONATIONS BY AGE OF HEAD

POSTAL YEARS 1988 & 1990

Requests for donation decreased for respondents aged 18–24, but those 25–70 received more requests versus 1988.,



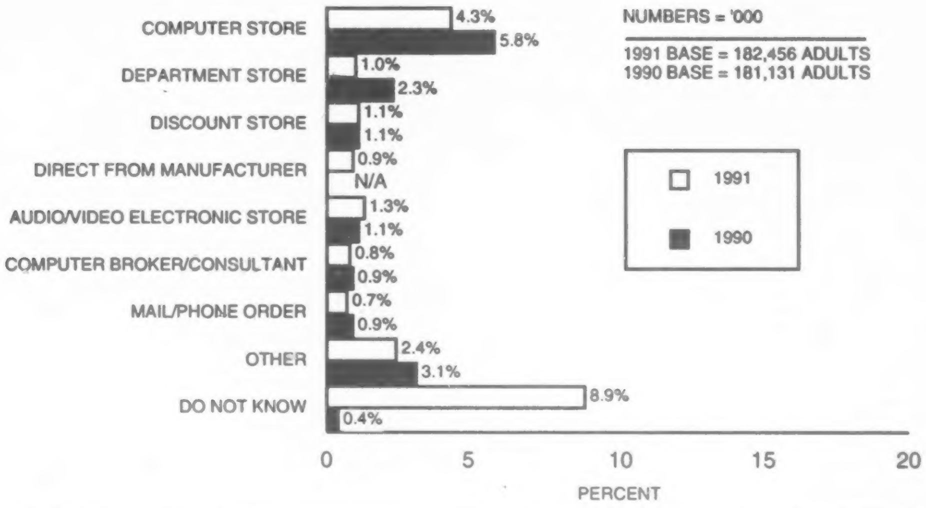
Source: USPS Household Diary Study, 1991.

• SPECIALIZED PRODUCTS/ SERVICE MARKETS

BUYING HABITS

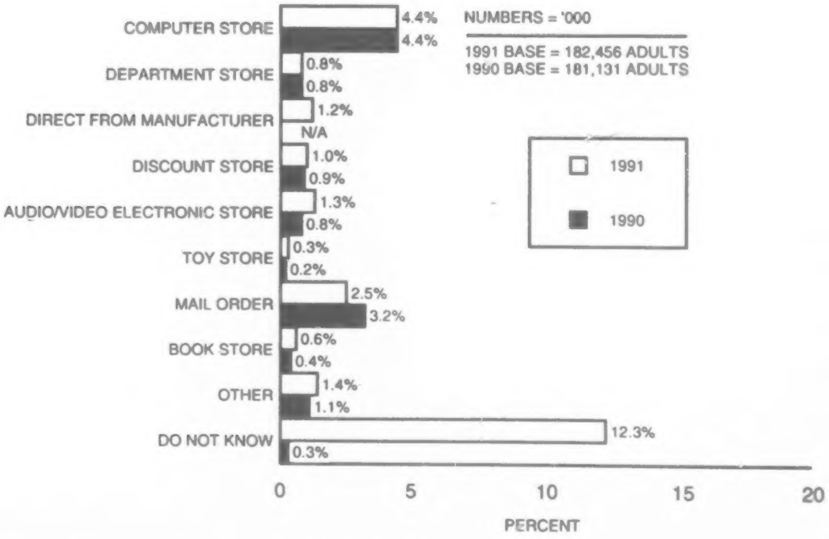
TRENDS

PERSONAL COMPUTERS
PURCHASE SOURCE



Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets.

SOFTWARE
PURCHASE SOURCE

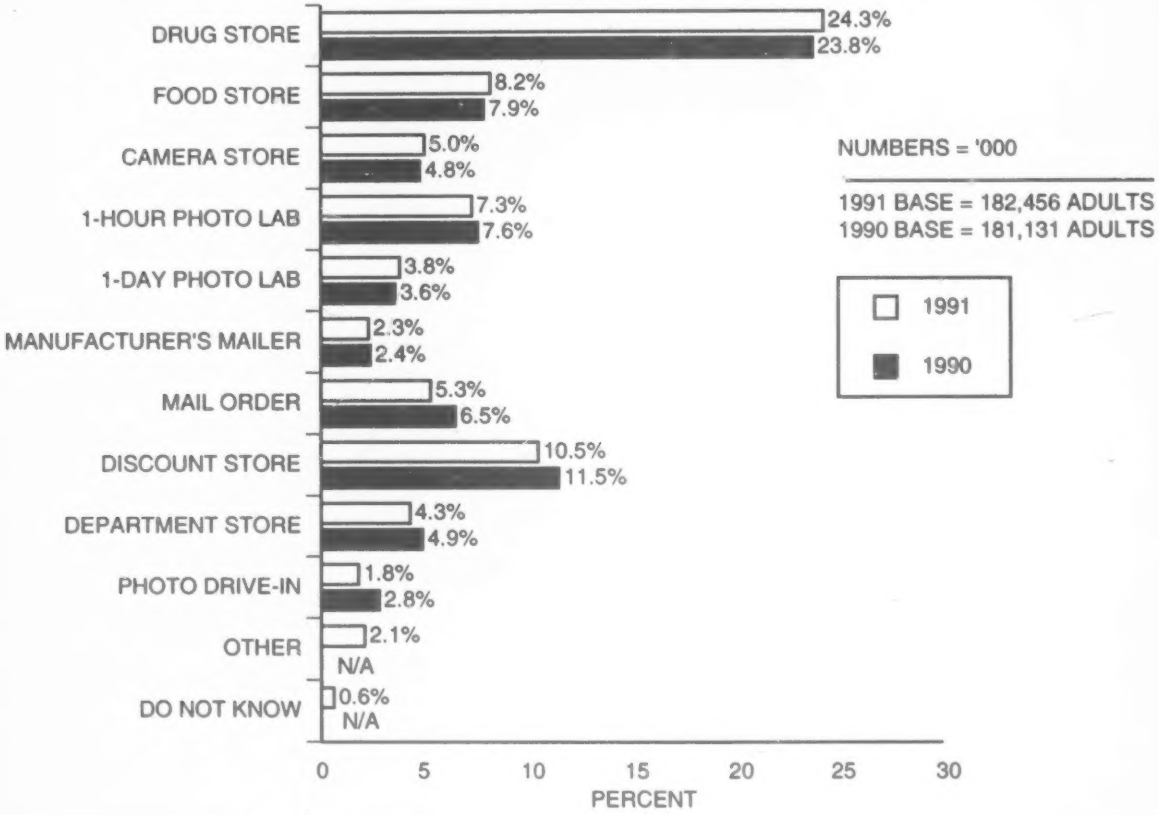


Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets.

FILM PROCESSING

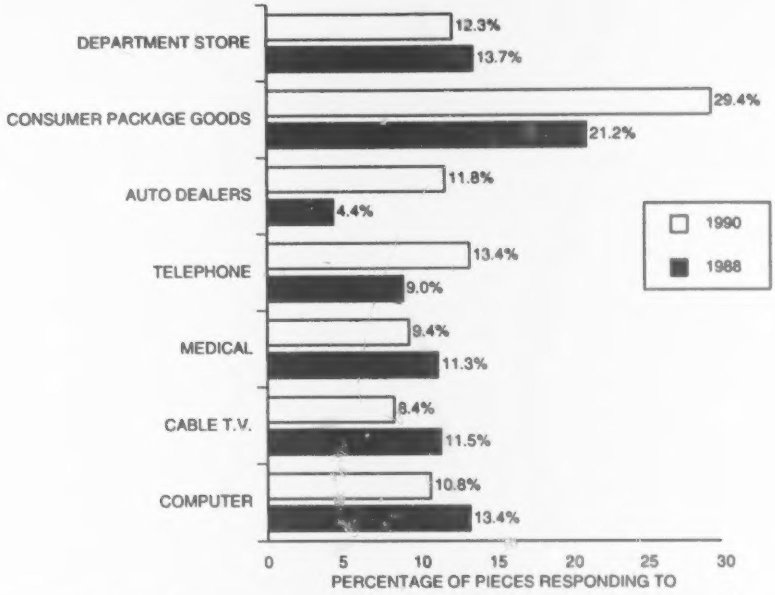
The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 181,131,000 in 1990, and 182,456,000 in 1991.

Where did you take or send your film for processing?



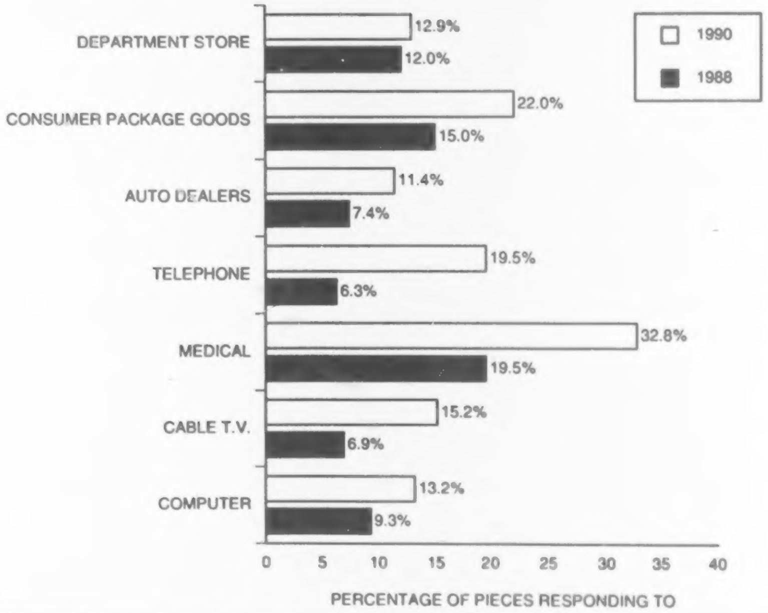
Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets.

RESPONSE RATES TO THIRD-CLASS ADVERTISING SOLICITATIONS



Source: USPS Household Diary Study, 1991

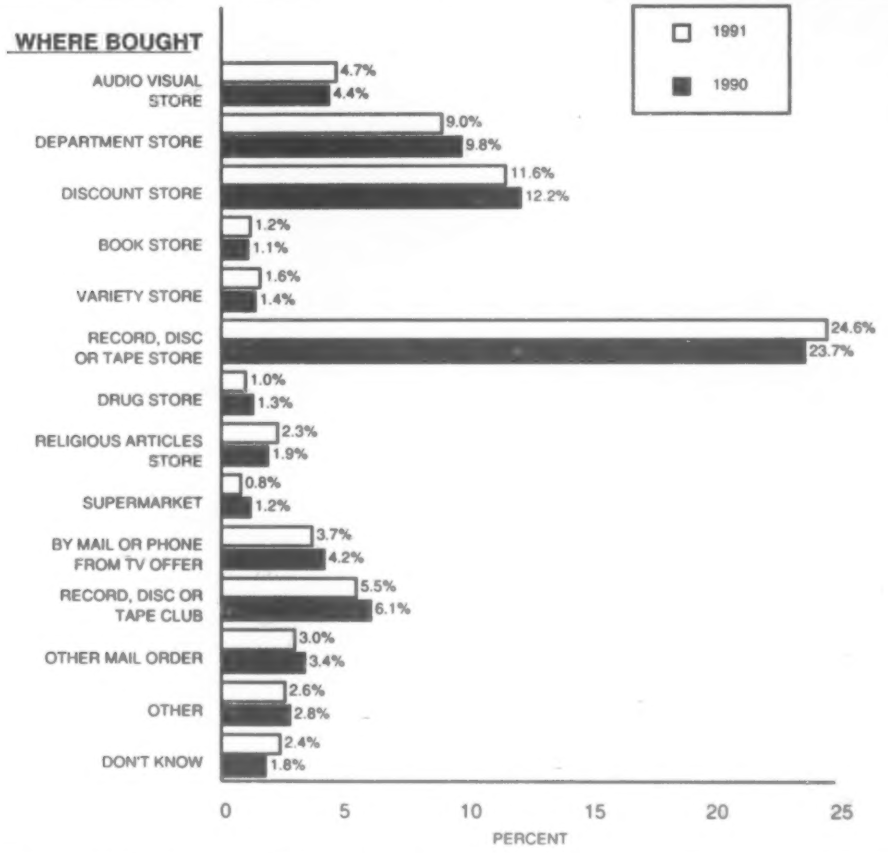
RESPONSE RATES TO FIRST-CLASS ADVERTISING SOLICITATIONS



Source: USPS Household Diary Study, 1991

RECORDS, DISCS AND TAPES
(WHERE BOUGHT)

The Study of Media and Markets is a syndicated study based on a stratified multi-stage area probability sample of 19,874 adults in 1990 and 23,555 in 1991, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 181,131,000 in 1990, and 182,456,000 in 1991.



Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets

RECORDS, COMPACT DISCS AND TAPES

PURCHASE SOURCE

The 1991 Study of Media and Markets is a syndicated study on a stratified multi-stage area probability sample of 19,874 adults, interviewed between the months of July and June. The product usage and buying behavior data was gathered through self-administered questionnaires and personal interviews. The results (below) were then projected to reflect the entire U.S. adult population, estimated to be 181,131,000 in 1990.

	Total U.S. (000)	By Mail or Phone from TV Offer (000)	%	Other Mail Order (000)	%	Record Disc or Tape Club (000)	%
TOTAL ADULTS	182,456	6,791	3.7	5,493	3.0	9,970	5.5
MALES	87,118	2,774	3.2	2,560	2.9	5,279	6.1
FEMALES	95,338	4,017	4.2	2,933	3.1	4,690	4.9
18—24	25,530	779	3.1	581*	2.3	2,205	8.6
25—34	44,118	1,819	4.1	1,283	2.9	3,120	7.1
35—44	37,521	1,498	4.0	1,201	3.2	2,444	6.5
45—54	25,346	1,000	3.9	808	3.2	983	3.9
55—64	21,009	841	4.0	745	3.5	801	3.8
65 OR OLDER	28,934	855	3.0	875	3.0	416	1.4
NORTHEAST-CENSUS	38,593	1,182	3.1	960	2.5	2,243	5.8
MIDWEST	44,281	1,935	4.4	1,556	3.5	3,005	6.8
SOUTH	62,591	2,490	4.0	1,627	2.6	2,750	4.4
WEST	36,991	1,184	3.2	1,349	3.6	1,971	5.3
HOUSEHOLD INCOME							
$75,000 OR MORE	21,409	958	4.5	782	3.7	1,472	6.9
$60,000 OR MORE	36,836	1,577	4.3	1,268	3.4	2,096	5.7
$50,000 OR MORE	53,155	2,307	4.3	1,805	3.4	3,219	6.1
$40,000 OR MORE	75,291	3,306	4.4	2,318	3.1	4,755	6.3
$30,000 OR MORE	102,396	4,374	4.3	3,170	3.1	6,670	6.5
$30,000—$39,999	27,105	1,068	3.9	852	3.1	1,915	7.1
$20,000—$29,999	30,317	921	3.0	1,029	3.4	1,472	4.9
$10,000—$19,999	29,855	914	3.1	906	3.0	1,160	3.9
UNDER $10,000	19,888	582	2.9	389*	2.0	667	3.4

*Projection relatively unstable because of sample base—use with caution.

Source: Simmons Market Research Bureau: 1991 Study of Media and Markets.

BOOK CLUBS

Book club memberships experienced a sizeable increase in the 18–24 and 65+ age groups, and in the Midwest and South geographic areas. The Northeast, however, declined a full 25% in book club membership.

	Total* U.S. (000)	Belong to a Book Club* (000)	%	Percent Change from 1990 to 1991 Total Members	Total Change in Book Club Membership 1990–1991 (000)
TOTAL ADULTS	181,131 **182,456**	15,555 **16,059**	8.6 8.8	+3.2%	+504
MALES	86,476 **87,118**	6,651 **6,377**	7.7 7.3	–4.1%	-274
FEMALES	94,655 **95,338**	8,904 **9,682**	9.4 10.2	+8.7%	+778
18—24	25,507 **25,530**	1,490 **1,806**	5.8 7.1	+21.2%	+316
25—34	43,858 **44,118**	4,016 **4,087**	9.2 9.3	+1.8%	+71
35—44	36,206 **37,521**	3,694 **3,326**	10.2 8.9	–9.9%	–368
45—54	24,795 **25,346**	2,506 **2,510**	10.1 9.9	+0.2%	+4
55—64	21,496 **21,009**	1,971 **1,931**	9.2 9.2	–2.0%	–40
65 OR OLDER	29,268 **28,934**	1,878 **2,400**	6.4 8.3	+27.8%	+522
NORTHEAST–CENSUS	38,551 **38,593**	4,479 **3,333**	11.6 8.6	–25.6%	–1,146
MIDWEST	44,079 **44,281**	3,629 **4,142**	8.2 9.4	+14.1%	+513
SOUTH	62,458 **62,591**	4,206 **5,729**	6.7 9.2	+36.2%	+1,523
WEST	36,042 **36,991**	3,239 **2,855**	9.0 7.7	–11.9%	–384
HOUSEHOLD INCOME $75,000 OR MORE	N/A **21,409**	N/A **2,379**	N/A 11.1	N/A	N/A
$60,000 OR MORE	31,937 **36,836**	3,565 **4,030**	11.2 10.9	+13.0%	+465
$50,000 OR MORE	47,508 **53,155**	5,137 **5,816**	10.8 10.9	+13.2%	+679
$40,000 OR MORE	68,804 **75,291**	7,234 **7,839**	10.5 10.4	+8.4%	+605
$30,000 OR MORE	96,864 **102,396**	9,866 **10,427**	10.2 10.2	+5.7%	+561
$30,000—$39,999	28,060 **27,105**	2,632 **2,588**	9.4 9.5	–1.7%	–44
$20,000—$29,999	30,796 **30,317**	2,484 **2,663**	8.1 8.8	+7.2%	+179
$10,000—$19,999	32,038 **29,855**	2,288 **2,255**	7.1 7.6	–1.4%	–33
UNDER $10,000	21,433 **19,888**	916 **714**	4.3 3.6	–22.1%	–202

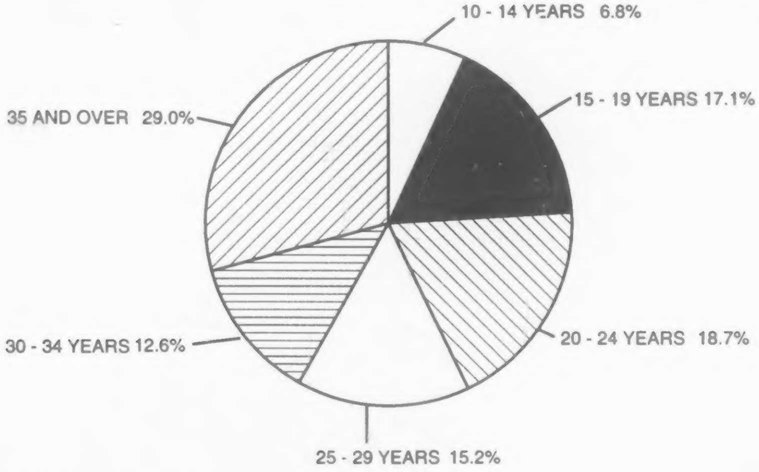
* Lightfaced Numbers = 1990
Boldfaced Numbers = 1991

Source: Simmons Market Research Bureau: 1990, 1991 Study of Media and Markets

TOTAL PRERECORDED PRODUCTS PURCHASED BY AGE BASED ON DOLLAR VOLUME 1991*

Every month, Chilton Research Services conducts a consumer survey under the guidance of the Recording Industry Association of America. Consumers are interviewed using a random sampling of approximately 1,225 males and females, out of which an average of 225 record buyers are contacted throughout the U.S.

Consumers aged 30 and over account for 41.6% of the dollar volume spent on prerecorded products.

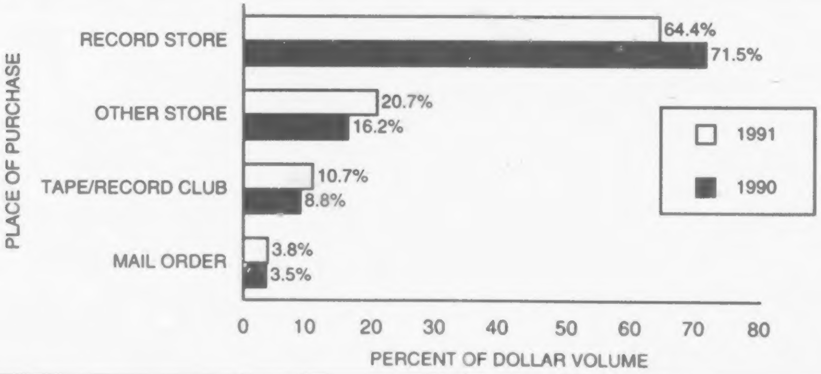


*Totals do not equal 100% due to "Don't Know/No Response" answers.

Source: Recording Industry Association of America, 1992

PRERECORDED PRODUCT
PLACE OF PURCHASE: 1990 vs. 1991

Tape/Record Club and Mail Order purchases increased from 12.3% in 1990 to 14.5% in 1991, representing a 17.8% increase.



Source: Recording Industry Association of America, 1991, 1992

PROFILES OF LEADING DIRECT MARKETERS OF PRERECORDED AUDIO AND VIDEO PRODUCTS

Company and Divisions	Estimated 1991 Sales (thousands)	Estimated 1990 Sales thousands)	Percent Change	Notes
Columbia House				
Music	$600,000	$550,000	9%	Negative option clubs
Video	$300,000	$200,000	50%	Negative option club, continuity series
Total	$900,000	$750,000	20%	
Reader's Digest				
Music	$274,000	$240,000	14%	Catalogs, one-shots
Video	$65,000	$35,000	86%	Catalogs, one-shots
Total	$339,000	$275,000	23%	
BMG Direct Marketing				
Music	$292,000	$255,000	15%	Negative option clubs
Video	$8,000	$20,000	–60%	Negative option club
Total	$300,000	$275,000	9%	
Time Warner				
Time Life Music	$100,000	$80,000	25%	Continuities, sets
Time Life Video	$55,000	$36,000	53%	Continuities, sets
Time Life Home Video Club	NA	$5,600	NA	Negative option club (incorporated into Columbia House early 1991)
Time Warner Viewer's Edge (video)	$2,500	NA	NA	Budget catalogs
Book-of-the-Month Records/Video	$10,000	$8,000	25%	Inserts
Total	$167,500	$129,600	29%	
American Telecast (video)	$36,000	$36,000	0%	TV one-shots, print ads, inserts
Critics Choice/Playboy (video)	$25,000	$19,000	32%	Catalogs
Publishers Clearing House (both)	$25,000	NA	NA	"Stamp sheet" sweepstakes mailings, inserts
Heartland Music	$25,000	$20,000	25%	TV one-shots, inserts
Postings (music/video)	$19,000	$19,000	0%	Catalogs (acquisition by Critics' Choice from Random House pending)
Rivertown Trading (video, audio)	$17,000	$10,000	70%	Catalogs under Signals, Wireless tradenames; for-profit PBS spinoff
Northport Marketing (music)	$15,500	$12,400	25%	TV one-shots, inserts (formerly Suffolk Marketing)
Bose/Express Music (music, video)	$12,000	$10,000	20%	Catalogs
MBI/Easton Press Video	$12,000	$14,400	–17%	Continuities, sets
Sessions (music)	$10,500	$10,500	0%	TV one-shots
SI Video	$8,000	$10,000	–20%	Catalogs (business acquired by Wood Knapp, late 1991)

(continued)

PROFILES OF LEADING DIRECT MARKETERS OF PRERECORDED AUDIO AND VIDEO PRODUCTS (CONTINUED FROM PAGE 261)

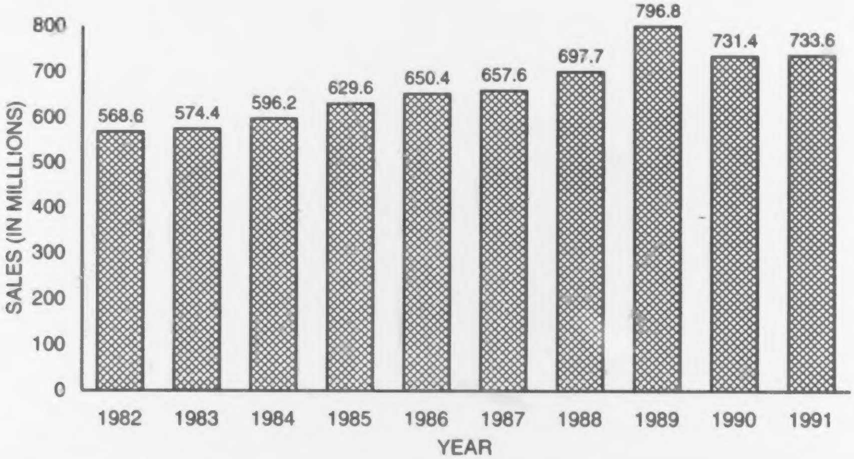
Company and Divisions	Estimated 1991 Sales (thousands)	Estimated 1990 Sales thousands)	Percent Change	Notes
Limited Editions (music)	$8,250	$11,000	–25%	TV one-shots
A&E Network (video)	$7,000	NA	NA	TV post-broadcast, inserts
Movies Unlimited (video)	$7,000	$7,000	0%	Catalogs
Walt Disney Music	$7,000	$6,000	17%	TV, inserts; one-shots and continuities
Barnes & Noble (video, music)	$6,000	$5,200	15%	Catalogs
Good Music Record Co.	$6,000	$6,000	0%	Catalogs, print ads, inserts, TV
National Geographic Society (video)	$6,000	$5,400	11%	Positive option club
NSI (Natl. Syndications) (music, video)	$6,000	$3,500	71%	TV one-shots, print ads, inserts (previously Publishers Choice)
Blackhawk Video	$5,000	$5,700	–12%	Catalogs (acquired by Critics Choice, early 1992)
Malaco (music)	$5,000	$8,500	–41%	TV one-shots
Sybervision (video)	$5,000	$6,000	–17%	Catalogs
Music for Little People (music, video)	$4,500	$4,000	13%	Catalogs; 49% owned by Time Warner's Warner Bros. Records
Musical Heritage Society	$4,500	$4,500	0%	Negative option club
Smithsonian Institution (music)	$4,500	$3,750	20%	One-shots
Walden Video by Mail	$4,000	$4,940	–19%	Catalogs
All Disc Music	$3,650	$3,500	4%	Catalogs
Teledisc USA (music)	$3,000	$4,200	–29%	Positive option club
Video Yesteryear/Radio Yesteryear	$2,700	$5,000	–46%	Catalogs, print ads, inserts
CD Connection	$2,500	$2,500	0%	Catalogs
Other	$25,000	$20,000	25%	
GRAND TOTAL	$2,034,100	$1,707,590	19%	

Note: Information derived from published reports of financial performance, if available, and estimates based on review of data on marketers' customer lists and average order sizes, as provided by mailing list brokers and managers.

Source: F. Johnson Associates for Entertainment Marketing Letter, 1992.

The Association of American Publishers' estimated book publishing industry sales are based on the U.S. Census of Manufacturers. This census is conducted every fifth year. Between censuses, the AAP estimates are "pushed forward" by the percentage changes that are reported to the AAP statistics program and by other industry data that are available.

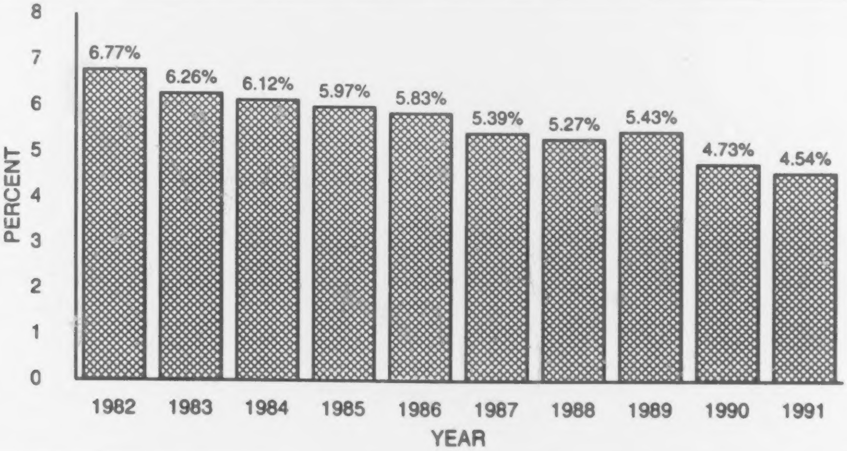
ESTIMATED BOOK PUBLISHING INDUSTRY SALES VIA MAIL ORDER PUBLICATIONS: 1982—1991



Source: Association of American Publishers, 1992.

MAIL ORDER SALES AS PERCENTAGE OF TOTAL BOOK INDUSTRY SALES: 1982—1990

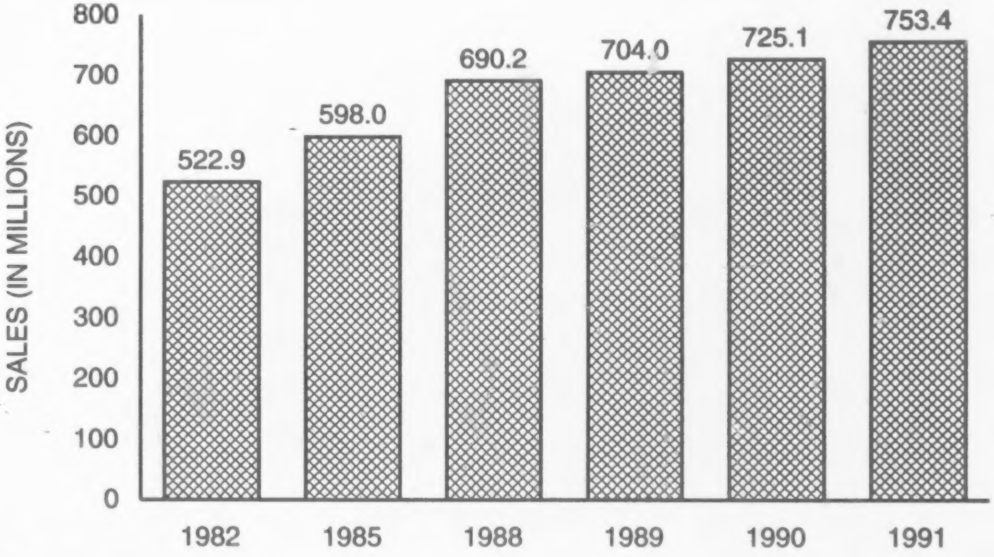
Although mail order sales have increased 29.0% from 1982 to 1991, overall book industry sales have risen at a more rapid rate. As a percentage of total book industry sales, mail order has actually decreased 32.9% from 1982 to 1991.



Source: Association of American Publishers, 1992.

ESTIMATED BOOK PUBLISHING INDUSTRY SALES VIA BOOK CLUBS

Book sales via book clubs have increased 44.1% since 1982.



Source: Association of American Publishers, 1992.

SHARES OF CONSUMER BOOK UNIT SALES

Category	1986	1987	1988	1989	1990	1991
Trade	41.9%	42.4%	43.1%	44.9%	46.1%	46.5%
Religious	9.9	9.4	8.5	8.1	8.5	8.5
Book Clubs	9.4	8.9	8.0	7.1	7.1	7.1
Mail Order	9.2	9.4	9.8	10.0	9.0	8.7
Mass-Market Paperbacks	28.4	28.8	29.6	28.9	28.3	28.2
University Press	1.1	1.0	0.9	0.9	0.9	0.9
Subscription Reference	0.1	0.1	0.1	0.1	0.1	0.1

Source: Veronis, Suhler & Associates, Book Industry Study Group, Wilkofsky Gruen Associates, 1992.

UNIT SALES OF CONSUMER BOOKS
IN MILLIONS OF COPIES

Category	1986	1987	1988	1989	1990	1991
Trade	563	577	610	685	705	735
Religious	133	128	121	124	130	135
Book Clubs	126	121	112	109	108	112
Mail Order	124	128	138	152	138	137
Mass-Market Paperbacks	381	391	419	441	433	445
University Press	14	13	13	14	14	15
Subscription Reference	1	1	1	1	1	1
Total	1,342	1,359	1,414	1,526	1,529	1,580

Source: Veronis, Suhler & Associates, Book Industry Study Group, Wilkofsky Gruen Associates, 1992

SUMMARY OF SPENDING ON CONSUMER BOOKS

	1986 ($ Millions)	1986–91 Compound Annual Growth (%)	1991 ($ Millions)	1991–96 Compound Annual Growth (%)	1996 ($ Millions)
Trade	$3,878	12.8%	$7,090	9.2%	$11,000
Religious	987	8.0	1,450	5.9	1,935
Book Clubs	591	4.5	735	4.2	905
Mail Order	672	2.4	755	2.4	850
Mass-Market Paperbacks	1,249	9.3	1,945	9.2	3,020
University Press	187	10.3	305	7.8	445
Subscription Reference	357	5.0	455	6.7	630
Total	7,921	10.0	12,735	8.1	18,785

Source: Veronis, Suhler & Associates, Wilkofsky Gruen Associates, 1992.

DIRECT MARKETING MANAGEMENT BASICS

- CUSTOMER SERVICE/FULFILLMENT
- INTERNATIONAL MARKETING
- USPS INFORMATION

• CUSTOMER SERVICE/ FULFILLMENT

COSTS

TRENDS

AVERAGE CUSTOMER SERVICE SALARY BY POSITION 1991 vs. 1989

The International Customer Service Association surveyed customer service employees nationwide to determine trends in customer service compensation. A total of 567 companies participated in the survey: 62% from manufacturing companies, 38% from non-manufacturing.

Manufacturing Firms				Non-Manufacturing Firms			
	1991	1989	% Change		1991	1989	% Change
CS Director	$62,674	$58,135	7.8	**CS Director**	$59,088	$51,490	14.8
CS Manager	47,081	42,195	11.6	**CS Manager**	41,572	38,705	7.4
Asst. Mgr. of CS/ CS Supervisor	36,391	32,436	12.2	**Asst. Mgr. of CS/ CS Supervisor**	30,819	29,025	6.2
Order Proc. Mgr/ Supervisor	35,873	31,050	15.5	**Order Proc. Mgr/ Supervisor**	28,540	28,280	0.9
Sr. CS Rep./ Asst. CS Super.	28,377	26,271	8.0	**Sr. CS Rep./ Asst. CS Super.**	23,918	23,419	2.1
CS Representative	23,818	21,714	9.7	**CS Representative**	20,520	19,620	4.6
Order Entry Clerk	18,653	17,773	5.0	**Order Entry Clerk**	17,567	16,418	7.0
CS Clerk	18,069	16,428	10.0	**CS Clerk**	16,178	15,762	2.6

Source: International Customer Service Association, 1991.

AVERAGE SALARY BY CENSUS REGION

		OVERALL U.S.	PACIFIC	MOUNTAIN	WEST NORTH CENTRAL	EAST NORTH CENTRAL	WEST SOUTH CENTRAL	EAST SOUTH CENTRAL	SOUTH ATLANTIC	MIDDLE ATLANTIC	NEW ENGLAND	CANADA[1]
CS Director	Starting	50,198	57,868	47,812	46,801	51,209	53,877	48,000	53,440	53,974	44,445	53,078
	Average	60,814	69,232	58,044	56,158	62,093	69,728	57,857	63,444	65,035	56,571	62,879
	High	74,551	82,552	70,050	77,027	78,068	80,845	67,857	76,244	76,907	68,071	76,037
CS Manager	Starting	37,059	40,172	32,293	36,319	37,380	40,628	32,812	37,701	39,526	35,897	40,195
	Average	45,084	49,430	39,009	42,237	45,181	53,615	40,769	45,818	47,848	44,626	48,723
	High	55,195	60,462	51,187	52,490	55,091	61,548	50,133	57,576	58,464	53,641	55,476
Asst. Manager/ Spvsr	Starting	28,039	30,671	24,059	27,470	28,717	29,809	24,377	28,706	29,513	26,778	32,726
	Average	33,802	36,787	27,973	32,947	34,866	38,506	28,740	34,656	35,666	31,900	38,531
	High	40,660	44,069	35,574	40,272	42,165	42,280	35,083	42,168	42,080	38,767	44,526
Order Prcssng Mgr/Spvsr	Starting	27,638	30,159	25,743	28,203	27,373	28,050	23,720	28,577	27,801	26,094	31,144
	Average	33,377	38,083	35,652	33,486	33,505	35,649	28,593	35,123	34,230	31,355	35,416
	High	40,163	42,318	39,230	39,708	41,253	39,807	34,633	42,444	41,408	39,156	41,489
Sr. CS Rep./Asst Spvsr	Starting	22,273	25,180	18,615	20,656	22,838	22,897	22,066	23,007	23,728	22,334	29,850
	Average	26,643	30,091	23,135	24,131	27,224	29,845	26,208	27,813	28,237	26,698	34,186
	High	31,454	35,190	27,475	28,965	31,985	32,602	30,939	32,601	33,209	31,464	39,012
CS Rep.	Starting	18,771	20,970	16,259	17,850	19,052	20,484	17,017	19,198	19,374	19,415	24,859
	Average	22,628	25,246	19,696	21,118	23,179	26,311	20,788	23,096	23,518	23,589	28,573
	High	26,936	30,034	24,875	25,420	27,605	29,196	24,347	27,388	28,377	27,910	32,413
Order Entry Clerk	Starting	15,472	17,144	14,252	13,909	15,354	16,001	14,565	15,342	15,893	15,579	21,500
	Average	18,346	19,945	17,683	16,543	18,236	20,105	17,258	18,603	18,717	18,685	24,200
	High	21,402	22,987	20,252	19,311	21,431	22,999	19,712	21,441	21,294	22,038	21,750
CS Clerk	Starting	14,730	15,984	11,230	14,002	14,896	14,910	13,263	14,706	15,365	15,413	19,193
	Average	17,419	18,936	13,379	16,814	17,645	18,261	16,382	17,288	18,121	18,465	22,556
	High	20,708	22,210	16,230	19,835	21,080	21,554	19,654	20,783	21,565	21,950	25,585

[1] Figures reported in Canadian dollars. The exchange rate at the time of the survey was approximately 870

Source: International Customer Service Association, 1991.

TOP FIVE MAJOR BUSINESS CATEGORIES GENERATING CONSUMER COMPLAINTS: 1991

The Better Business Bureaus (BBBs) in the United States handled nearly 11.4 million consumer inquiries and complaints in 1991.

Major Business Categories	Numbers of Complaints*	Aggregate Settlement Rate†
Retail	45,030	67.3%
Home Improvement/Remodeling Companies	30,190	57.6%
Service Firms (except auto)	27,830	69.1%
Ordered Product Sales#	22,680	79.9%
Vehicle Dealers	19,860	66.6%

*Complaints which a bureau brings to the attention of a business (either orally or in writing) for the purpose of eliciting its response.

†Aggregate Settlement Rate—percentage of complaints that consumers stated were handled to their satisfaction.

#The Better Business Bureaus use the term "Ordered Product Sales" to indicate orders placed by mail or telephone.

Source: Council of Better Business Bureaus, 1992.

SUMMARY OF BETTER BUSINESS BUREAU ACTIVITY FOR ORDERED PRODUCT SALES: 1991

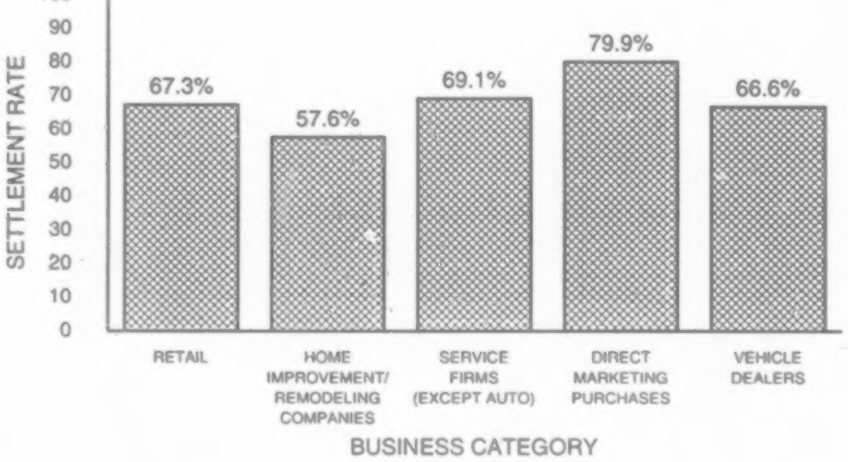
ORDERED PRODUCT SALES*	REPORTS REQUESTED†	COMPLAINTS PRESENTED	SETTLEMENT INDEX
Book/Record/Tape Clubs	6,100	1,590	91.2
Catalog sales	30,630	6,120	85.6
Mail order companies, not catalog	63,750	5,060	73.5
Ordered via newspaper/magazine ad	17,160	2,890	77.2
Magazine subscriptions by mail	25,360	1,980	80.3
Magazine subscriptions by telephone	14,200	700	74.3
Television Home Shopping Services	3,420	170	88.2
Ordered by radio/tv ad	11,330	1,700	97.1
Other ordered product sales	45,570	2,470	63.2

*The Better Business Bureaus use the term "Ordered Product Sales" to indicate orders placed by mail or telephone.

†Reports Requested—any request made to a Better Business Bureau, including requests for general information about a company, checking on a company's reliability, general counseling, etc.

Source: Council of Better Business Bureaus, 1992.

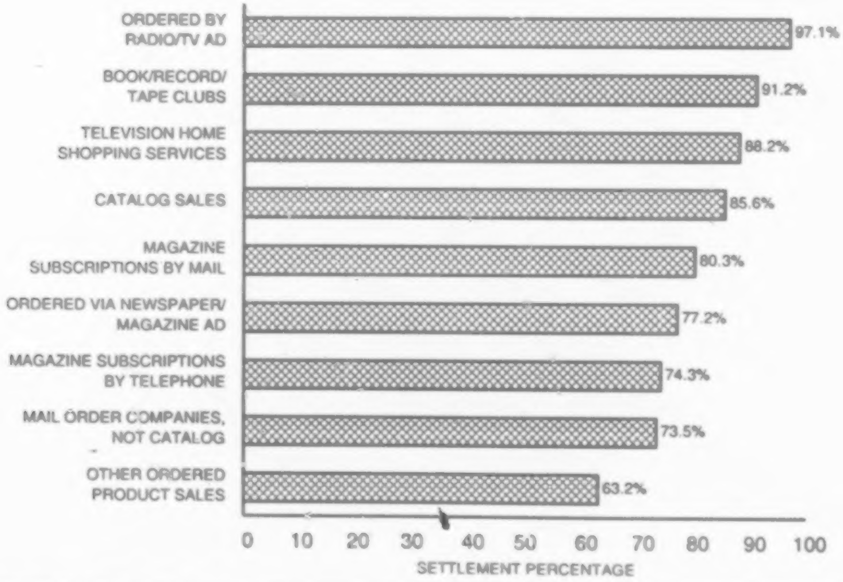
SETTLEMENT RATES* AMONG TOP COMPLAINT-GENERATING BUSINESS CATEGORIES



*Settlement rates refer to the percentage of complaints that consumers stated were handled to their satisfaction.

Source: Council of Better Business Bureaus, 1992.

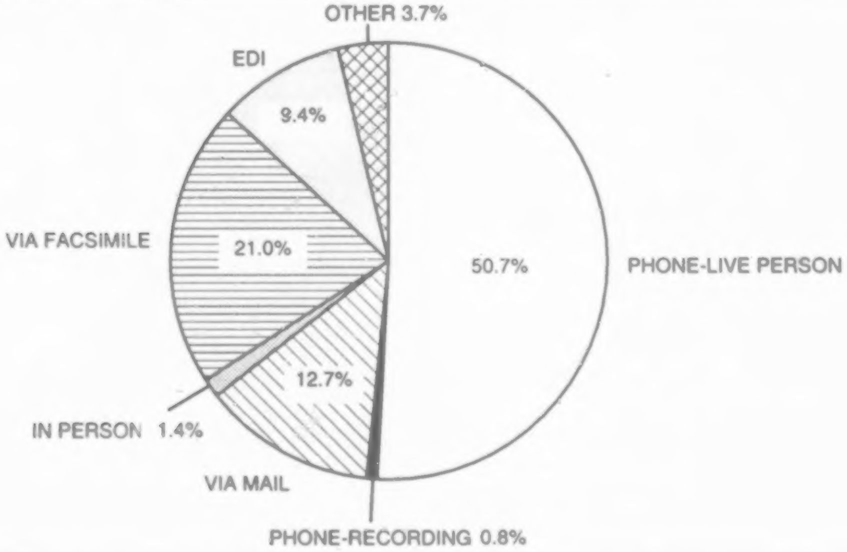
AGGREGATE SETTLEMENT RATES WITHIN DIRECT MARKETING



Source: Council of Better Business Bureaus, 1992

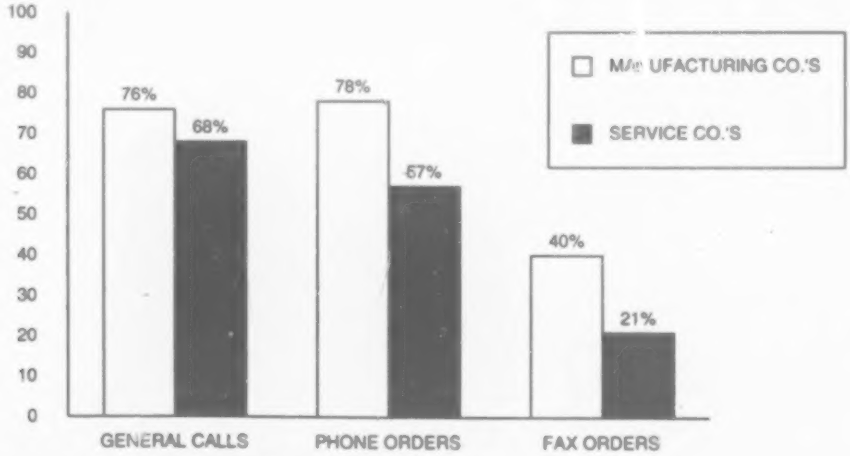
HOW ORDERS ARE RECEIVED
(AVERAGE % OF ALL CUSTOMER ORDERS RECEIVED BY CS DEPARTMENTS)

The International Customer Service Association conducted a study of performance benchmarking in customer service. The survey was sent to more than 1,700 ICSA member companies; 443 responses were received.



Source: International Customer Service Association (ICSA), 1992

USE OF TOLL-FREE LINES FOR CUSTOMER RELATIONS



Source: International Customer Service Association (ICSA), 1992

TYPES OF CUSTOMER SERVICE RESPONSES RECEIVED

Business majors at a large public university were asked to write letters of complaint to companies whose products legitimately caused them to be dissatisfied. The 286 writers sent complaint letters to 166 different U.S. companies regarding 248 different products. The study was done to investigate how company response strategies affect consumers' image of the company. The table below represents the responses received. Noticeably, a full 23.4% of complaints received no response, creating a significantly more negative post-response image than the prevailing image held by all writers.

Type of Response		Number	Percent
Product Replacement		53	29.3
Free Good Coupon		36	25.2
Cents Off Coupon		29	20.3
Refund Check		23	16.1
Combination (check and coupon)		13	9.1
	Total	143	
Letter Only		76	26.6
No Response		67	23.4
	Total	286	

Source: The Journal of Services Marketing, 1992.

METHOD OF IDENTIFYING CUSTOMER REQUIREMENTS

The Council of Logistics Management commissioned this study to find out what customer service methods companies are using versus what methods customers themselves prefer. The study showed that a surprising number of companies don't ask their customers what they want or expect.

	% of Respondents Using Method	% Customers Preferring Method
Marketing/salesforce input	81%	67%
Reaction to "noise level" (customer complaints)	71%	41%
In-person customer interviews	65%	59%
Phone/mail customer surveys	53%	22%
Customer focus groups	38%	31%
Competitors' goals	26%	0%

Source: A.T. Kearney, Inc. for the Council of Logistics Management, 1992.

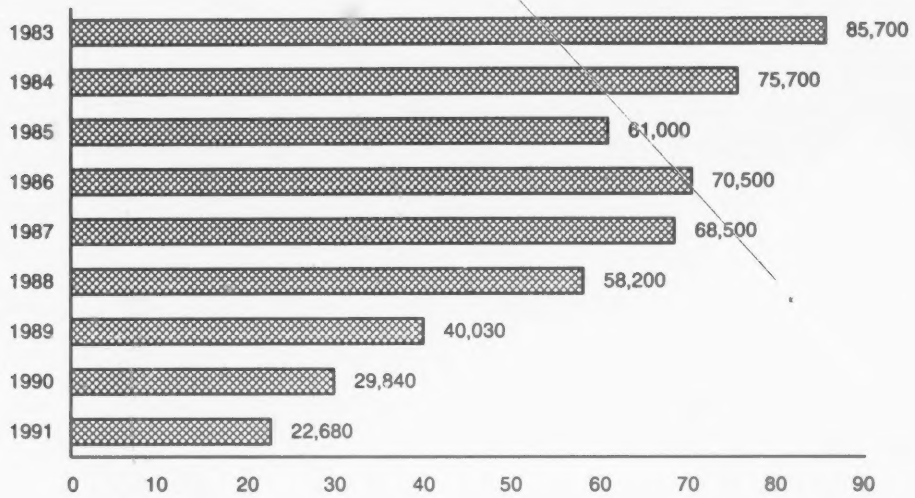
CUSTOMER SERVICE INVESTMENTS

The CSC Index Group, Inc. surveyed 394 companies to find out current trends in information systems. The survey found that major management information systems investments in 1991 were focused on systems that improve order processing, delivery and customer service.

Business Process	Percentage of Companies Making This Investment
Order processing, handling	54%
Product delivery, logistics	48
Customer service/ post-sale	48
Customer service, pre-sale	43
Inventory	35
Production planning, scheduling	33

Source: CSC Index Group, Inc., 1991

ORDERED PRODUCT SALES* COMPLAINTS GENERATED: 1983–1991



*The Better Business Bureaus use the term "ordered product sales" to indicate orders placed by mail or telephone.

Source: Council of Better Business Bureaus, 1992.

CUSTOMER SATISFACTION: 800 NUMBER vs. MAIL RESPONSE

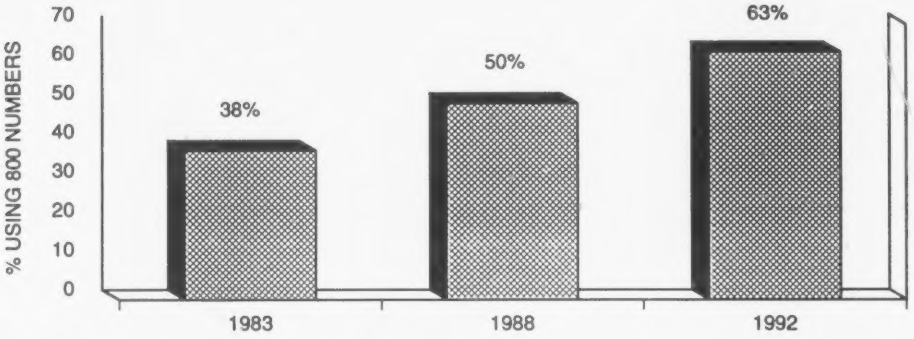
In 1991 and early 1992, a mail survey was sent to 2,000 companies to find out how 800 numbers are being used for customer service. A response rate of 23% was achieved. The research showed that customers who asked questions or complained via an 800 number are significantly more satisfied and more likely to report positive purchase intentions than those who contact the company via mail.

	800 Number Contact	Mail Contact
Complaints		
% Satisfied with response	64%–78%	47%–57%
% Intending to repurchase	80%–85%	70%–75%
Inquiries		
% Satisfied with response	70%–89%	50%–68%

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

BUSINESS USE OF 800 NUMBERS

Sixty-three percent of the study respondents use incoming customer service 800 numbers, representing a significant increase over previous years.



Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

RESPONDENTS WHO USE 800 NUMBERS

Use of 800 numbers varied somewhat by industry, although only financial services was significantly different from the mean percentage usage.

	% Who Use an 800 Number		
Industry	**1992**	**1988**	**1983**
Provider of Financial Services	**83%**	54%	46%
Integrated Manuf./Retailer	80%	55%	47%
Manufacturer	67%	58%	40%
Utility	56%	38%	32%
Direct Marketer	54%	78%	NA
Retailer	50%	36%	NA
Wholesaler	46%	40%	NA
Provider of Health Care	44%	44%	NA
Provider of General Consumer Services	39%	44%	42%

NA = Not Available, since industry categories in the 1983 study are not directly comparable to other years or were not included in the 1983 study.

Bold Number = Difference significant from mean percent usage (63%) at 95% level of confidence.

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

VOLUME OF TOLL-FREE CALLS

The median number of calls handled by 800 numbers has increased 250 percent from 600 calls per week in 1988 to 1,500 calls per week in 1992. This represents an increase of more than 350 percent over the 405 calls per week reported in 1983. The median number of calls varies markedly by industry.

	Median Number of Toll-Free Calls Per Week		
Type of Industry	**1992**	**1988**	**1983**
Direct Marketer	7,000	1,600	NA
Provider of Financial Services	4,500	3,500	1,500
Wholesaler	2,500	850	NA
Provider of Health Care	1,575	100	NA
Manufacturer	1,100	500	300
Utility	975	458	100
Integrated Manufacturer/Retailer	900	350	100
General Consumer Services	738	1,600	200
Retailer	475	205	NA

NA = Not Available, since industry categories in the 1983 study are not directly comparable or were not included in the 1983 study.

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

TYPES OF CALLS RECEIVED

The mix of complaints and inquiries varied somewhat by industry. Retailers report a significantly higher percentage of complaints, while providers of health care and providers of financial services report significantly higher percentages of inquiries. Health care and financial service providers also handle a smaller percentage of new business/promotions calls.

	Mean % of Calls From:		
Type of Industry	**Complaints**	**Inquiries**	**New Business**
All Industries	30%	54%	12%
Manufacturer	34%	51%	13%
Retailer	**44%**	**37%**	9%
Wholesaler	33%	49%	17%
Direct Marketer	31%	57%	**6%**
Integrated Manufacturer Retailer	41%	**36%**	23%
General Consumer Services	43%	**38%**	18%
Health Care	**18%**	**76%**	**4%**
Financial Services	**13%**	**78%**	**7%**
Utilities	29%	46%	11%

Bold Numbers = Difference significant at a minimum 90% level of confidence.

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

BENEFITS OF A CUSTOMER SERVICE 800 NUMBER

Respondents believe that their customer service 800 numbers have resulted in many benefits for their companies.

Benefits	Percent of Respondents Citing Benefit
Easier way for customers to ask questions / complain	94%
Increased customer satisfaction	94%
More efficient data capture	59%
Increased senior management awareness of customer concerns	52%
Better pulse on marketplace	50%
Elimination of certain types of customer problems	46%
More cost-effective use of personnel	41%
Generation of sales leads	24%
Ability to do focused market research	24%
Direct sale of products to customers	22%
Significant redesign of existing products	15%
New product design	14%

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

IMPACT OF HOLD TIME BEFORE THE CALL ON CUSTOMER SATISFACTION

If holding is necessary due to peak demand, holding under two minutes does not appear to adversely impact customer satisfaction.

	% of Customers Completely Satisfied
No-hold time before reaching rep	55%–86%
Hold time acceptable (under 2 minutes)	55%–75%
Hold time unacceptable (over 2 minutes)	20%–45%

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

IMPACT OF HOLD TIME DURING THE CALL ON CUSTOMER SATISFACTION

Customers are somewhat tolerant of being put on hold during the call, as long as the hold time is under 2 minutes.

	% of Customers Completely Satisfied
No-hold time during call	80%–85%
Hold time acceptable (under 2 minutes)	60%–75%
Hold time unacceptable (over 2 minutes)	15%–20%

Source: AT&T/SOCAP/TARP Industry Specific Research, 1992.

• INTERNATIONAL MARKETING

CONSUMER ATTITUDES

COSTS

TRENDS

EUROPEAN CONSUMER TREATMENT OF DIRECT MAIL

TREATMENT OF LAST ITEM BY AGE

From the chart below it can be seen that 61 percent of all direct mail is both opened and read. 80 percent of direct mail is initially opened. Only 19 percent is discarded with no more than a look at the headlines.

	AGE					
	15–24	25–34	35–44	45–54	55–64	65+
Opened and read contents	59%	65%	55%	70%	68%	64%
Opened but didn't read contents	24%	16%	18%	10%	17%	17%
Didn't open envelope/wrapping	17%	19%	27%	20%	15%	19%

Source: BMRB/DMIS Establishment Survey 1992 Report.

EUROPEAN CONSUMERS: BENEFITS OF BUYING BY MAIL

Consumers, once they have used direct mail for purchasing goods and services, obviously feel that there are particular benefits to be gained and that initial prejudices that they held on direct mail do not remain true.

	Cold Contact*	Previous Contact
BASE	84	263
	PERCENT	PERCENT
Convenient/easier than shopping	25	37
Special offer/good price	25	33
Not available elsewhere	17	18
Good quality	4	10
Easy to pay/credit	6	9
None/no benefits	6	4

*Cold contact indicates no prior communication with the mailing company.

Source: BMRB/DMIS Establishment Survey 1992 Report.

UK DIRECT MAIL EXPENDITURE AND VOLUME

1984–1990

It is estimated that the direct mail industry generates £7 billion worth of income each year in the UK and provides somewhere in the region of 25,000 jobs.

	Consumer Volume (million items)	Business Volume (million items)	Total Volume (million items)	Total Expenditure (£ millions)
1984	889	373	1262	324
1985	933	370	1303	445
1986	976	425	1401	474
1987	1161	465	1626	483
1988	1221	545	1766	530
1989	1445	672	2117	758
1990	1544	728	2272	930
1991	1432*	690*	2122	895

*Estimate

Source: Royal Mail and Advertising Association, 1991.

UK ADVERTISING MEDIA EXPENDITURE

(MILLION POUNDS)

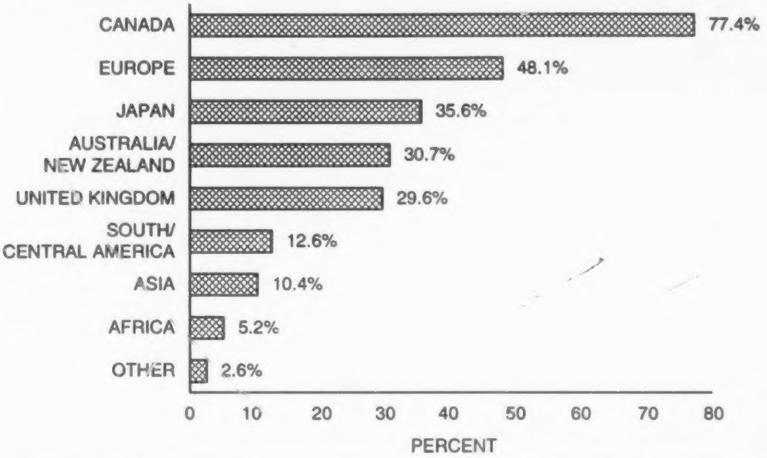
It can be seen that direct mail is becoming an increasingly important part of the advertising industry. Every year more companies are attracted to the medium as the applications of direct mail diversify.

	PRESS	TV	DIRECT MAIL	POSTER	RADIO	TOTAL
1985	2969	1376	444	164	82	5035
1986	3345	1675	474	193	91	5778
1987	3834	1872	483	216	111	6516
1988	4507	2127	530	244	139	7547
1989	5077	2286	758	271	159	8551
1990	5074	2325	930	282	163	8823

Source: Advertising Association, 1991.

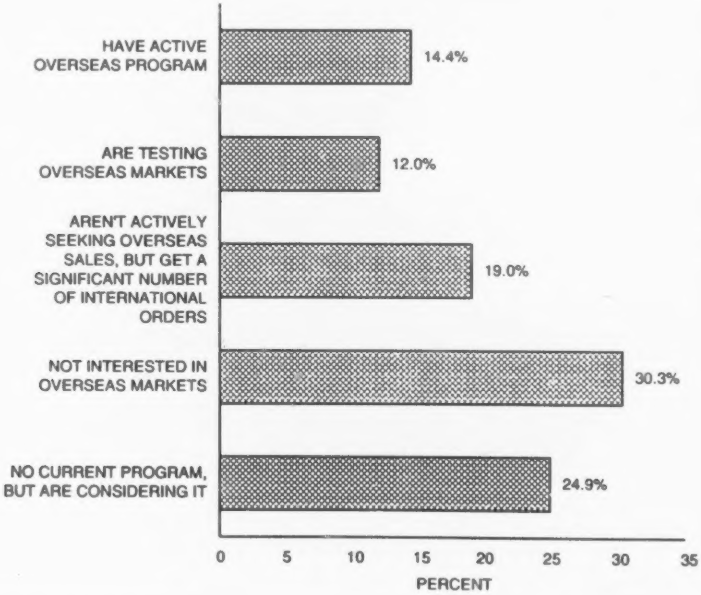
LUCRATIVE INTERNATIONAL MARKETS FOR U.S. CATALOGERS

The Fifth Annual Catalog Age Study was conducted during the summer and fall of 1991 among a random sample of 2,000 catalog company executives culled from the Catalog Age subscriber list. After Canada, respondents indicate that Europe provides the most business opportunities.



Source: CATALOG AGE, 1991.

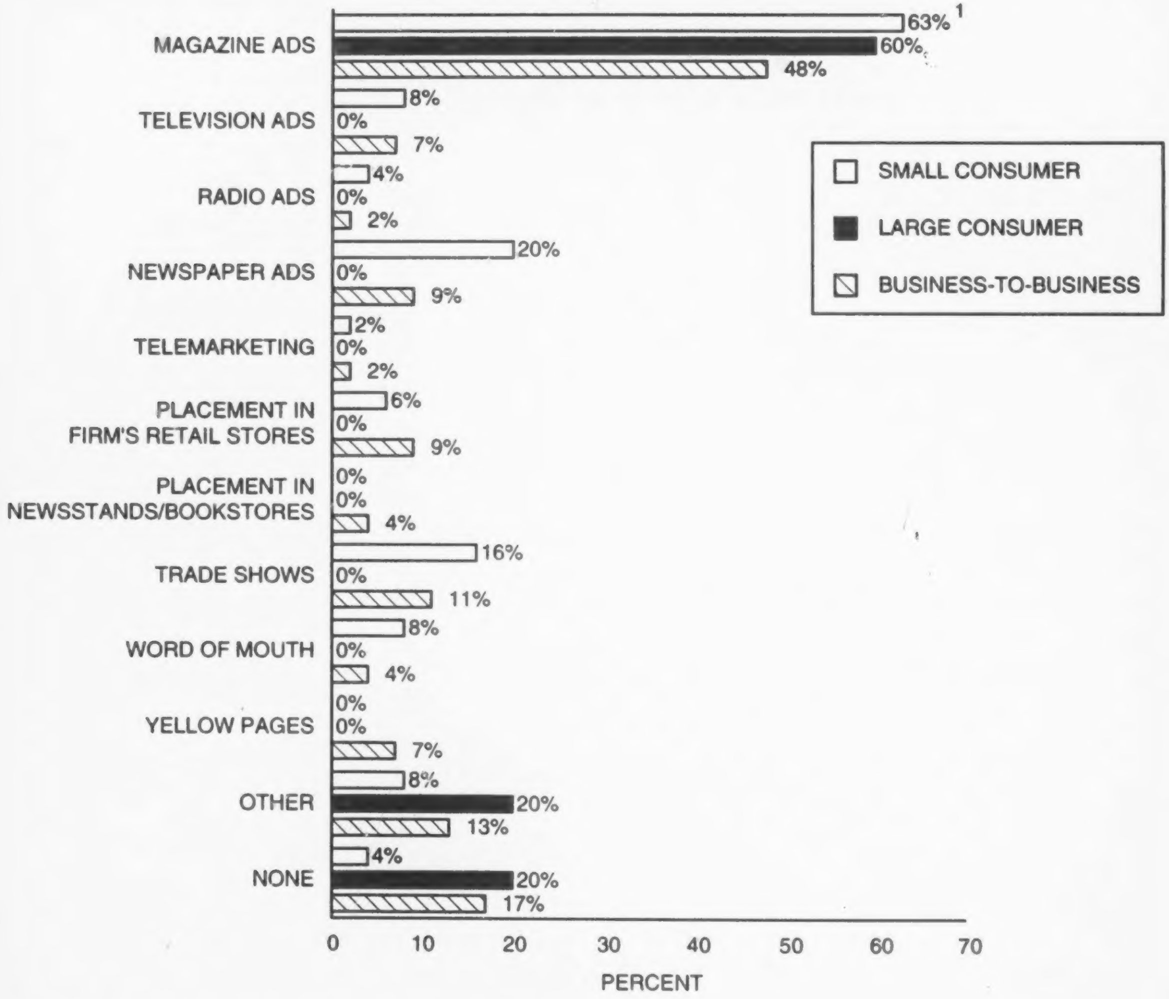
U.S. CATALOGERS' USE OF INTERNATIONAL MARKETING



Source: CATALOG AGE, 1991.

ADDITIONAL MARKETING METHODS USED BY CANADIAN CATALOGERS*

In 1991, the Canadian Direct Marketing Association commissioned Management Horizons to profile the Canadian catalog direct marketing industry. The project entailed comprehensive research and analysis efforts, including telephone surveys of 150 Canadian catalog companies and 21 service providers, public domain information, and economic forecasts and models.



*Small sample size for large Canadian catalog companies serving consumers

[1] Read as: In addition to outside lists and in-house files, 63% of small Canadian catalog companies use magazine ads to generate sales.

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991

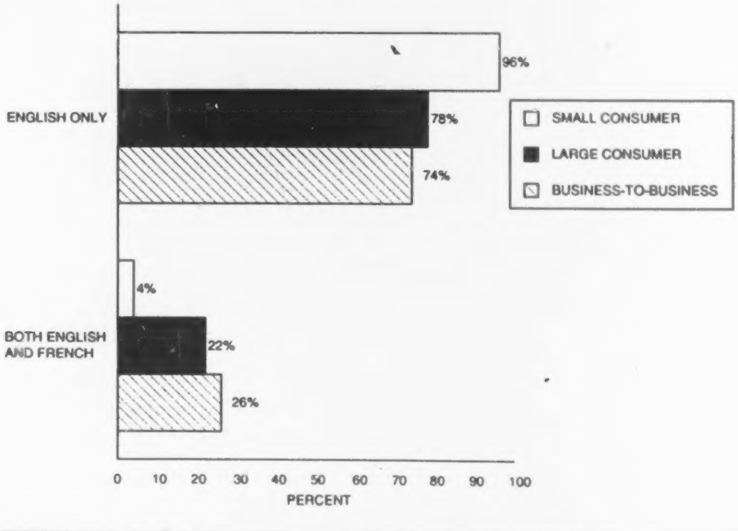
CANADIAN AND U.S. DIRECT MARKETING CATALOG SALES

After growing at relatively comparable rates from 1977 to 1986, U.S. catalog direct marketing sales took off while their Canadian counterparts stagnated. Since the beginning of 1986, U.S. catalog direct marketing has grown at a compounded rate of 12.4% while Canadian catalog direct marketing has grown only 3.3% annually.

YEAR	CANADIAN SALES (In millions C$)	U.S. SALES (In millions U.S.$)
1977	1,099	13,566
1978	1,228	15,232
1979	1,339	16,115
1980	1,467	16,713
1981	1,591	17,968
1982	1,608	19,000
1983	1,689	20,734
1984	1,808	24,300
1985	1,894	25,650
1986	1,963	27,800
1987	2,067	33,600
1988	2,147	38,620
1989	2,226	42,500
1990	2,228	46,000
GROWTH RATE		
1977–1990	5.59%	9.85%
1977–1985	7.04%	8.29%
1985–1990	3.30%	12.39%

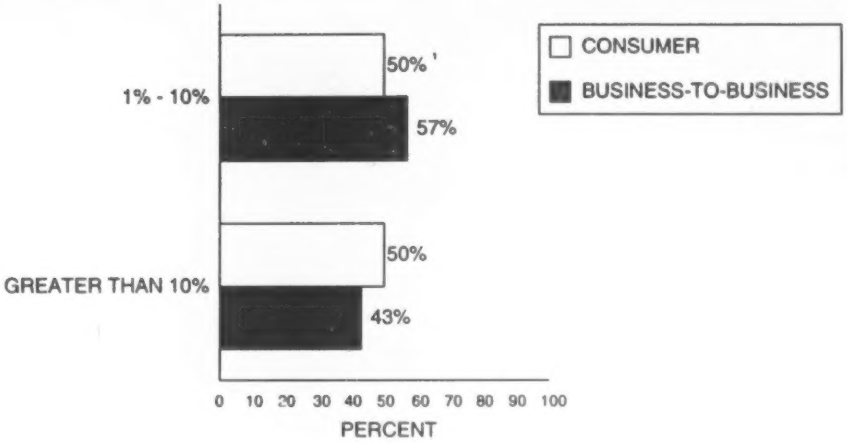
Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

CANADIAN CATALOGERS: CATALOG TRANSLATIONS



Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991

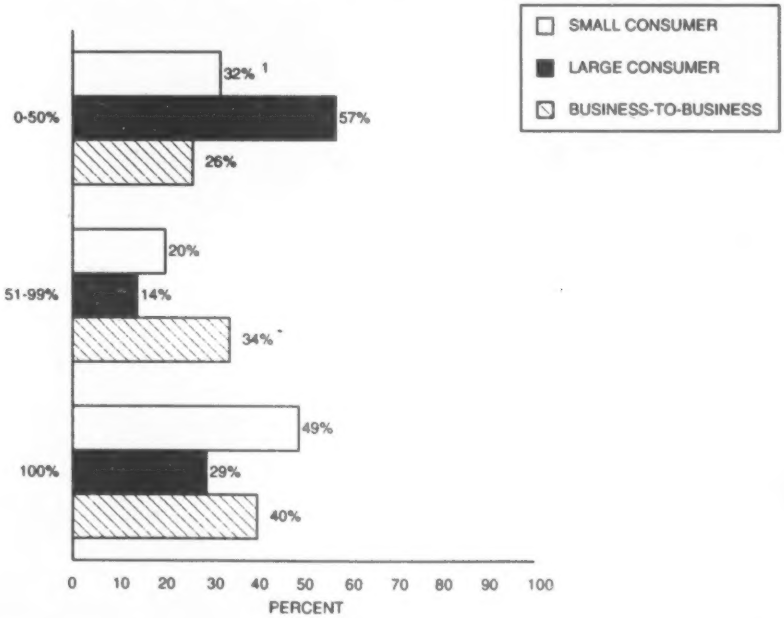
CANADIAN CATALOGERS: AVERAGE RESPONSE RATE FOR OUTSIDE LISTS



[1] Read as: 50% of Canadian catalog companies serving consumers have an average response rate of 1%–10% for outside lists.

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

CANADIAN CATALOGERS: MAIL GENERATED BY IN-HOUSE FILES*

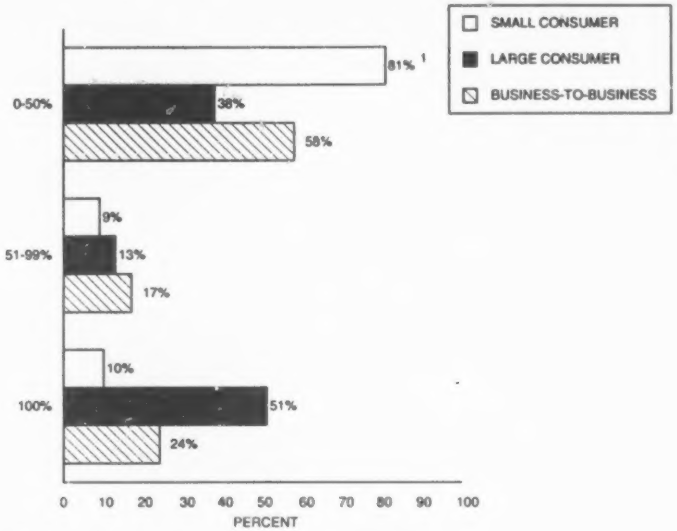


*Small sample size for large Canadian catalog companies serving consumers.

[1] Read as: 32% of small Canadian catalog companies serving consumers generate 0–50% of their mailings from in-house files.

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

CANADIAN CATALOGERS: MAIL GENERATED BY OUTSIDE LISTS

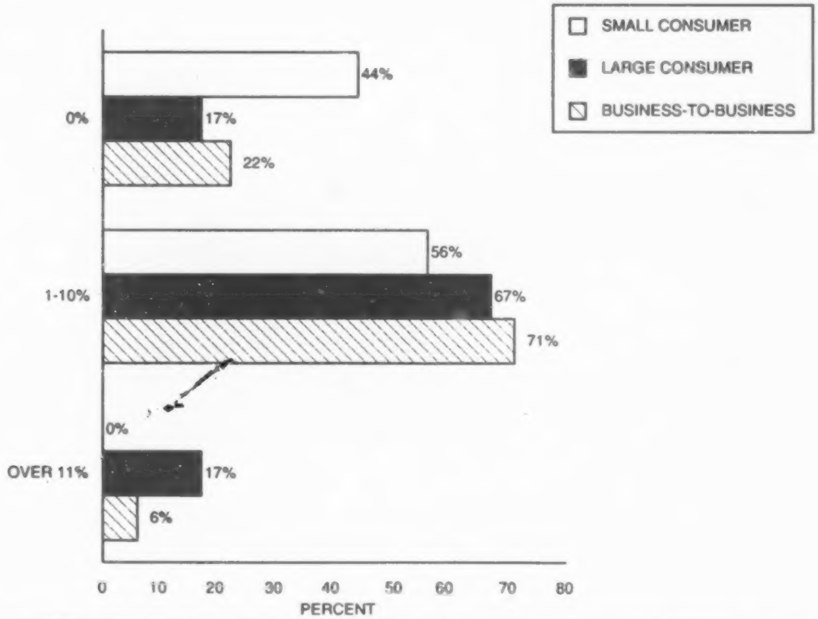


*Small sample size for large Canadian catalog companies serving consumers.

[1] Read as: 81% of small Canadian catalog companies serving consumers generate 0–50% of their mailings from outside lists.

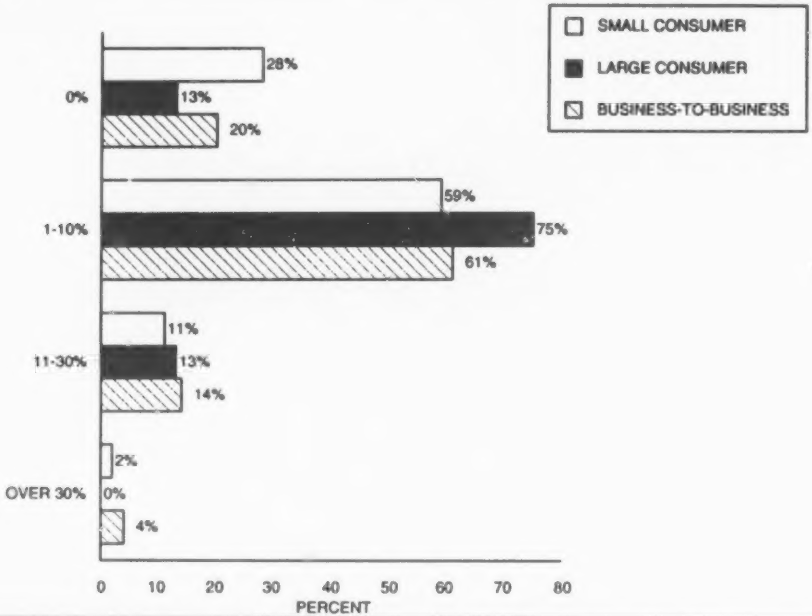
Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

PERCENTAGE OF SHIPMENTS RETURNED FOR CANADIAN CATALOG COMPANIES



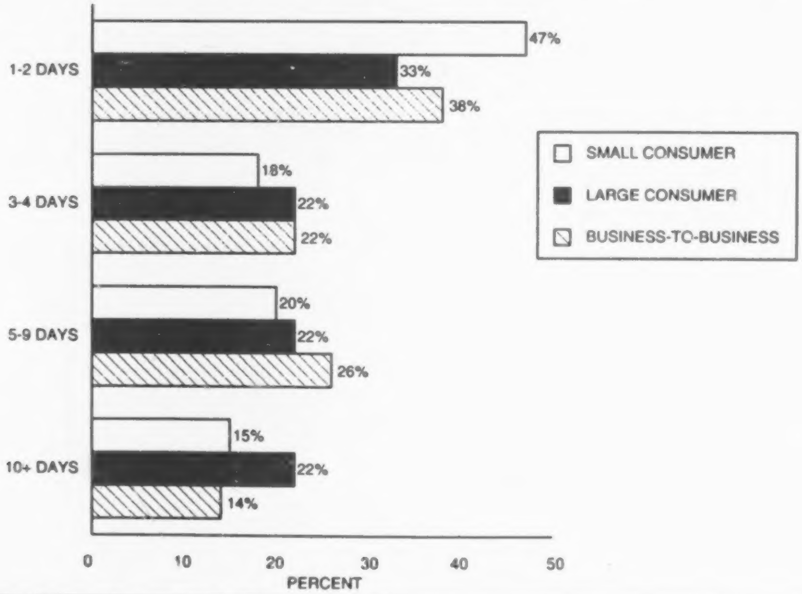
Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhousc, 1991.

PERCENTAGE OF MERCHANDISE BACKORDERED FOR CANADIAN CATALOG COMPANIES



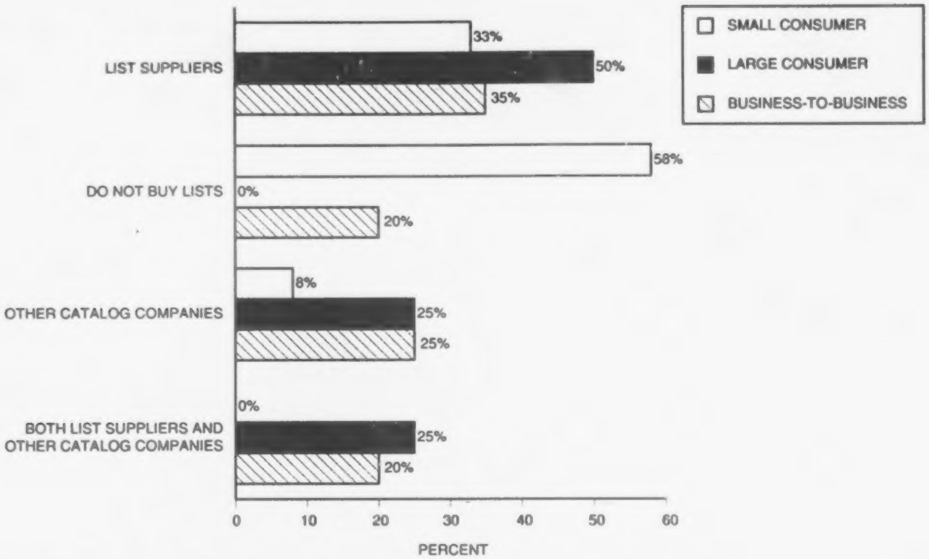
Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

AVERAGE FULFILLMENT TIME FOR CANADIAN CATALOG COMPANIES



Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

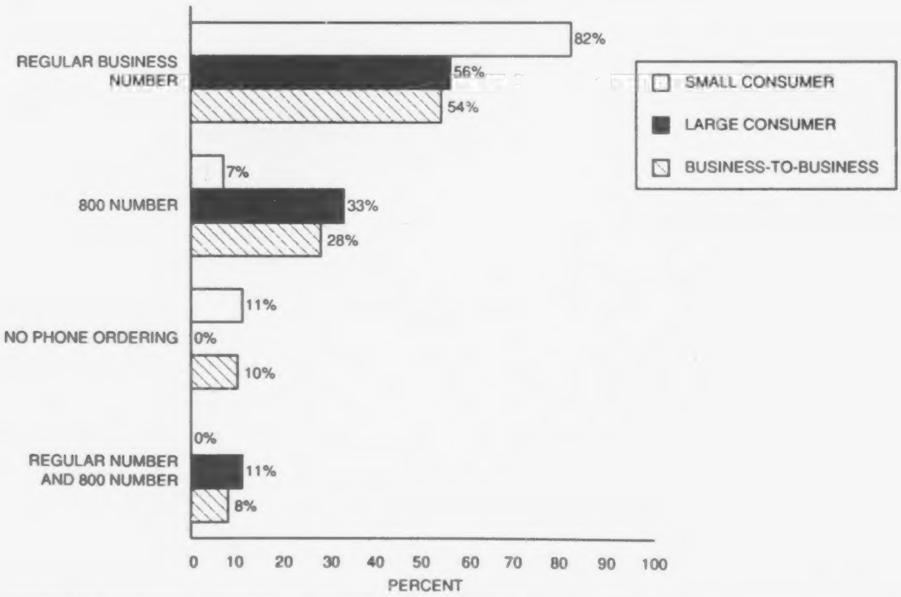
CANADIAN CATALOGERS: LIST SOURCES*



*Small sample size for small and large consumer and business-to-business Canadian catalog companies.

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

PHONE NUMBERS FOR ORDERING FOR CANADIAN CATALOG COMPANIES



Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991

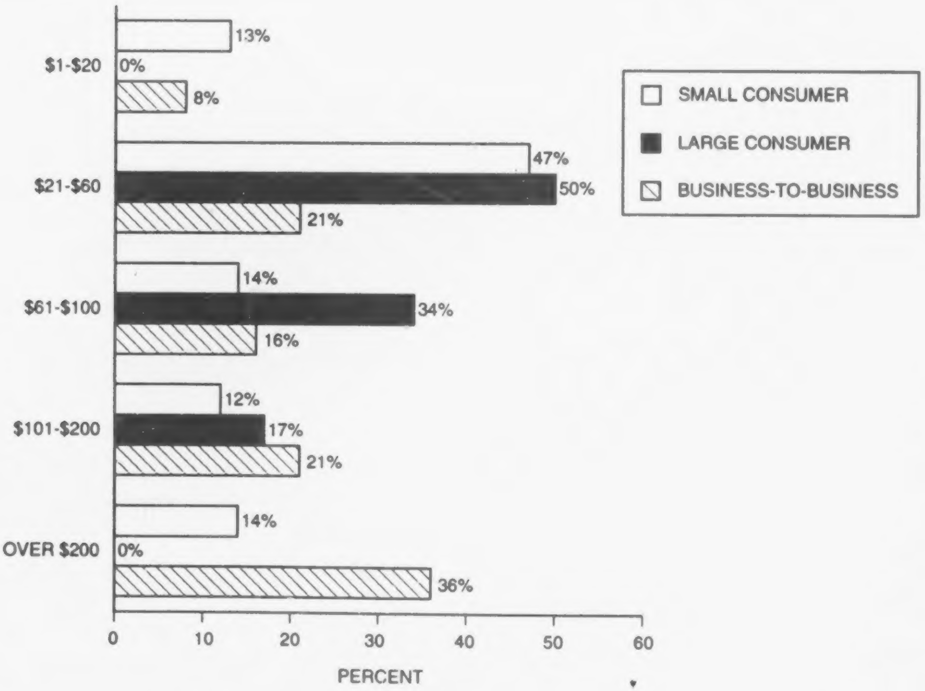
PERCENT OF ORDERS: MAIL VERSUS TELEPHONE

	CONSUMER		
	SMALL	LARGE	BUSINESS-TO-BUSINESS
MAIL			
MEAN	65.6%[2]	68.0%	41.1%
MEDIAN	78.0	74.0	39.0
TELEPHONE			
MEAN	33.2%	32.0%	58.5%
MEDIAN	22.0	27.0	60.0

*Small sample size.

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

AVERAGE TRANSACTION SIZE* FOR CANADIAN CATALOG COMPANIES



*Small sample size for large Canadian catalog companies serving consumers..

Source: Canadian Direct Marketing Association and Management Horizons, Division of Price Waterhouse, 1991.

DEMOGRAPHICS OF EUROPEAN CONSUMERS

In 1990, Reader's Digest commissioned Gallop International to interview a random sample of adults in 17 European countries to investigate their lifestyles, spending habits, and attitudes. A total of 22,339 interviews were conducted.

	TOTALS				EUROPEAN COMMUNITY COUNTRIES												EFTA COUNTRIES				
	ALL	EUROPE	ALL	E.C.	GERMANY* (WEST)	ITALY	GREAT BRITAIN	FRANCE	SPAIN	NETHER-LANDS	BELGIUM	PORTUGAL	GREECE	DENMARK	IRELAND	LUXEM-BOURG	SWEDEN	AUSTRIA	SWITZER-LAND	FINLAND	NORWAY
ALL ADULTS BASE (THOUSANDS)	263913	263913	238632	238632	49800	44472	42720	40275	28756	11328	7636	7203	[illegible]	4380	2299	220	[illegible]	5858	4833	3801	3224
UNWEIGHTED BASE	22339 000'S	22339 %	16980 000'S	16980 %	2010 %	2197 %	2153 %	2000 %	1488 %	1520 %	1484 %	999 %	1000 %	1001 %	500 %	496 %	1000 %	979 %	1474 %	1028 %	1000 %
AGE																					
18–24	38461	15	35036	15	13	15	15	15	16	15	14	16	15	13	18	13	13	15	14	13	15
25–34	51554	20	46814	20	18	19	19	21	19	22	20	21	19	18	22	19	19	19	20	20	20
35–49	67323	26	60555	25	25	25	26	25	24	29	25	25	27	27	27	26	29	26	28	30	27
50–64	57126	22	52264	22	23	23	20	21	23	18	22	21	23-	25	17	21	21	21	19	20	17
65+	49449	19	44963	19	21	18	20	19	17	17	18	17	17	17	15	20	18	19	18	16	21
MARITAL STATUS																					
SINGLE	63260	24	57457	24	25	29	19	22	29	20	18	24	24	16	30	21	24	27	24	22	20
MARRIED	154949	59	141599	59	55	60	61	55	60	60	68	66	67	56	62	63	52	54	61	53	58
LIVING AS MARRIED	9636	4	8138	3	2	1	5	7	0	8	4	0	1	14	1	1	9	2	2	9	10
DIVORCED/SEPARATED	10220	4	8670	4	5	1	5	4	2	3	2	3	1	6	1	3	8	6	5	7	5
WIDOWED	24389	9	22445	9	12	9	10	9	8	6	7	7	8	8	6	11	6	10	8	8	6
MAIN INCOME EARNER																					
MALE	92993	35	83755	35	37	31	38	35	30	39	37	34	37	38	36	37	39	36	40	37	38
FEMALE	38024	14	33508	14	19	10	16	15	8	17	10	9	9	22	10	14	19	21	14	21	17
OCCUPATION																					
ALL WHITE COLLAR	105121	40	94269	39	50	29	47	43	18	47	44	36	31	47	33	36	38	53	50	41	39
MANAGEMENT	38398	15	34112	14	22	6	15	19	4	20	10	16	7	18	10	12	12	15	26	17	24
OTHER WHITE COLLAR	66723	25	60157	25	28	23	32	23	14	28	34	19	24	29	23	25	26	38	25	24	16
ALL BLUE COLLAR	95440	36	85837	36	30	45	46	19	38	33	31	44	40	41	42	35	49	28	33	44	45
SKILLED	42880	16	37894	16	16	15	20	9	17	18	15	12	30	18	17	17	26	14	23	19	21
OTHER BLUE COLLAR	52559	20	47943	20	14	30	26	10	21	15	16	32	10	23	25	18	23	14	11	25	24
NEVER WORKED	63352	24	59526	25	19	26	7	39	44	20	24	21	29	12	25	29	13	20	16	15	16
DEGREE OR PROFESSIONAL QUALIFICATION	79533	30	69303	29	(19)	29	22	(55)	20	33	36	21	24	19	13	31	(58)	(44)	25	25	(51)
TRADE OR CRAFT QUALIFICATION	48751	18	43359	18	44	10	20	2	6	25	24	7	1	49	11	17	5	13	55	31	18
LANGUAGE SPOKEN																					
ENGLISH	59642	45	53274	44	44	16	100	31	12	72	34	25	28	61	100	44	73	42	40	48	58
FRENCH	41437	31	39191	33	16	16	21	97	10	31	71	30	8	9	9	89	9	11	63	5	2
GERMAN	40865	31	33955	28	100	4	9	9	1	67	19	3	5	45	2	85	35	100	88	14	17
ITALIAN	25115	19	24327	20	3	100	2	6	1	2	5	3	2	1	0	22	1	5	24	1	0
MEDIA EXPOSURE IN AN AVERAGE WEEK																					
AVERAGE DAYS:—																					
TV WATCHED	5.88	5.88	5.91	5.91	5.44	6.30	6.16	5.89	6.11	5.51	5.62	6.04	5.48	5.79	5.53	5.40	5.58	5.38	4.96	5.97	5.88
NEWSPAPERS READ	4.42	4.42	4.28	4.28	5.36	3.46	5.51	3.76	2.81	5.10	3.79	2.22	3.46	5.83	5.12	5.24	6.24	5.23	5.50	6.68	6.12
MAGAZINES READ	2.37	2.37	2.33	2.33	3.66	1.98	1.88	2.95	1.28	2.57	2.59	1.16	1.26	1.85	1.58	2.33	2.76	2.90	2.39	2.63	3.37
NEVER WATCH TV	7178	3	6559	3	4	2	2	3	2	4	3	3	5	0	4	3	1	2	6	3	1
NEVER READ NEWSPAPERS	38222	14	37793	16	4	24	7	20	31	6	18	32	20	2	3	8	1	4	3	0	0
NEVER READ MAGAZINES	67155	25	63768	27	10	30	33	19	43	15	22	49	50	23	42	24	15	18	12	13	8

*Since this study was conducted in 1990, the two German States unified. These results relate only to West Germany as it was at the time of the fieldwork.

Source: Reader's Digest Eurodata, 1991.

EUROPEAN CONSUMERS: FINANCIAL SERVICES

In 1990, Reader's Digest commissioned Gallop International to interview a random sample of adults in 17 European countries to investigate their lifestyles, spending habits, and attitudes. A total of 22,339 interviews were conducted.

	TOTALS				EUROPEAN COMMUNITY COUNTRIES												EFTA COUNTRIES				
	ALL	EUROPE	ALL	E.C	GERMANY* (WEST)	ITALY	GREAT BRITAIN	FRANCE	SPAIN	NETHER-LANDS	BELGIUM	PORTUGAL	GREECE	DENMARK	IRELAND	LUXEM-BOURG	SWEDEN	AUSTRIA	SWITZER-LAND	FINLAND	NORWAY
ALL ADULTS BASE (THOUSANDS)	288013	288013	236632	236632	46680	44472	42730	40275	28736	11338	7636	7200	[illegible]	4380	2290	280	[illegible]	[illegible]	4808	3801	3228
UNWEIGHTED BASE	22339 000'S	22339 %	16660 000'S	16660 %	2010 %	2197 %	2193 %	2000 %	1496 %	1520 %	1464 %	990 %	1000 %	1001 %	900 %	496 %	1000 %	979 %	1474 %	1028 %	1000 %
BANKING SERVICES																					
HAVE BANK ACCOUNT	208596	78	184960	77	89	57	81	88	69	87	81	68	56	94	63	87	80	82	91	93	94
HAVE BUILDING																					
SOCY A/C	28752	11	28719	12	0	0	66	0	0	0	0	0	0	0	18	0	0	0	0	0	0
HAVE CHEQUE BOOK	138807	53	131107	55	57	39	70	84	22	65	56	53	3	43	33	70	49	41	18	13	55
HAVE CASH DISPENSER																					
CARD	105295	40	94372	39	38	16	60	53	30	61	51	22	2	43	30	40	56	29	31	61	53
HAVE CARD USED INSTEAD																					
OF CASH	57256	22	49532	21	10	6	41	39	13	19	18	7	8	15	14	31	42	10	36	41	36
ALL CHIEF INCOMES	131017	131017	117263	117263	25712	18556	22881	20170	10164	6326	3570	3109	3006	2634	1043	111	3691	3398	2496	2197	1772
BASE (THOUSANDS)																					
UNWEIGHTED BASE	11939	11939	8829	8829	1171	1006	1222	1074	614	880	786	491	450	609	266	251	545	562	815	800	589
INSURANCE																					
SOMEONE IN HOUSEHOLD HAS:—																					
PRIVATE MEDICAL INS	38447	30	34908	30	25	5	16	79	12	65	34	8	8	16	35	21	11	35	87	16	9
WHOLE-LIFE																	49	17	27	28	43
INSURANCE	41901	32	37354	32	34	10	57	33	10	40	37	17	7	36	43	24	11	30	18	11	21
TERM INSURANCE	30481	23	27970	24	39	12	40	17	4	17	18	5	6	19	23	23	7	14	55	18	15
PRIVATE SICKNESS INS	18523	14	15742	13	16	10	14	20	3	6	22	8	3	21	11	16	55	38	33	46	60
HOME INS (BUILDING)	58855	45	52536	45	33	18	69	70	24	43	67	14	5	64	56	74	95	80	80	72	89
HOME INS (CONTENTS)	80576	61	69016	59	72	11	75	82	26	88	85	21	2	91	52	78					
SAVINGS & INVESTMENTS																					
SOMEONE IN HOUSEHOLD HAS:																					
POST OFFICE SAVINGS	34787	27	32048	27	25	15	22	37	67	30	27	5	12	0	21	3	23	24	28	1	21
STOCKS OR SHARES	20710	16	16713	14	10	5	22	23	6	12	22	4	2	40	9	9	46	7	27	38	26
GOVT SAVINGS/BONDS	13327	10	11405	10	10	18	9	2	5	14	9	2	6	33	4	2	34	6	5	9	6
INS SAVING PLANS—																					
CHILDRENS EDUCATION	3669	3	3302	3	5	0	3	3	0	4	7	2	0	0	4	2	0	5	4	2	4
UNIT TRUSTS	6307	5	6072	5	3	5	10	0	1	5	9	37	0	9	2	3	0	4	2	2	0
EMPLOYER'S PENSION																					
FUND	18979	14	18381	14	11	3	36	8	6	29	7	7	2	13	7	4	8	4	60	3	33
PRIVATE PENSION																					
SAVINGS PLAN	16657	13	14719	13	16	4	21	13	2	7	17	4	1	40	4	3	28	9	9	2	20
SAVING IN BLDG SOCY	19020	15	18792	13	3	0	57	24	0	0	0	2	3	0	16	0	2	2	1	2	1

Source: Reader's Digest Eurodata, 1991.

EUROPEAN CONSUMERS: HOME ENTERTAINMENT AND LEISURE

In 1990, Reader's Digest commissioned Gallop International to interview a random sample of adults in 17 European countries to investigate their lifestyles, spending habits, and attitudes. A total of 22,339 interviews were conducted.

	TOTALS				EUROPEAN COMMUNITY COUNTRIES												EFTA COUNTRIES				
	ALL EUROPE		ALL	E.C.	GERMANY (WEST)	ITALY	GREAT BRITAIN	FRANCE	SPAIN	NETHERLANDS	BELGIUM	PORTUGAL	GREECE	DENMARK	IRELAND	LUXEMBOURG	SWEDEN	AUSTRIA	SWITZERLAND	FINLAND	NORWAY
ALL HOUSEHOLDS BASE (THOUSANDS)	125646	125646	113090	113090	25458	17821	21280	19510	10586	5686	3608	2784	2974	2265	1010	128	3670	2786	2540	2046	1534
UNWEIGHTED BASE	22339 000'S	22339 %	16860 000'S	16860 %	2010 %	2197 %	2153 %	2000 %	1498 %	1520 %	1484 %	999 %	1000 %	1001 %	500 %	498 %	1000 %	979 %	1474 %	1026 %	1000 %
HOME ENTERTAINMENT																					
TELEVISION																					
ANY	121471	97	109508	97	97	98	98	94	98	98	97	92	94	98	98	98	97	96	93	94	97
COLOUR	114134	91	102511	91	94	88	94	88	93	96	93	69	64	95	92	96	96	90	91	90	95
RECEIVING CABLE	26701	21	21758	19	29	0	3	9	22	87	88	4	0	34	40	89	32	20	71	31	31
HAVE REMOTE CONTROLLER	83424	68	74746	66	84	81	60	63	32	66	68	22	58	63	47	79	70	69	83	56	62
HAVE VIDEO RECORDER	51210	41	45800	40	42	25	58	35	40	48	42	22	37	39	38	39	48	37	41	46	41
AUDIO EQUIPMENT																					
TO PLAY LP RECORDS	63129	50	55851	49	50	34	63	56	27	80	58	32	28	52	39	40	68	52	64	47	48
TO PLAY/RECORD CASSETTE	94160	75	83506	74	74	64	82	76	67	88	75	56	72	82	73	69	88	82	82	85	87
TO PLAY CD'S	25047	20	22043	19	24	9	20	23	11	43	26	9	5	20	14	30	17	24	39	19	21
WALK-ABOUT HEAD-PHONE SYS	38673	31	34059	30	31	22	37	37	21	33	25	13	17	30	34	30	45	30	29	37	43
NON-PORTABLE HI-FI STEREO	68666	55	60741	54	56	37	65	59	30	90	63	33	31	68	44	45	71	55	68	54	62
LEISURE & EQUIPMENT																					
PRIVATE GARDEN	65547	52	59177	52	49	36	84	54	9	72	80	17	30	68	85	71	57	53	36	40	70
POWERED LAWN MOWER	38055	30	33923	30	34	14	55	34	2	15	54	2	0	36	44	37	40	37	17	28	43
BOAT	5953	5	3913	3	4	3	3	4	2	6	2	2	2	7	3	5	24	5	4	24	26
SKIS	18586	15	11077	10	19	10	3	14	2	9	5	1	1	12	1	11	64	46	55	66	75
GUN	13830	11	11938	11	5	15	5	22	10	4	9	11	14	13	8	8	19	10	9	15	24
EXERCISE MACHINE	10941	9	9693	9	9	9	14	7	5	6	7	3	1	3	6	9	9	9	5	13	17
ELECTRIC SEWING MACHINE	52957	42	45524	40	45	32	41	45	22	67	58	20	16	57	33	46	63	52	65	52	61
STILL CAMERA	89452	71	79825	71	71	65	76	78	55	83	74	48	56	83	61	73	83	61	83	73	85
INSTANT PICTURE CAMERA	13078	10	12081	11	12	14	11	13	4	7	11	4	5	3	6	12	7	11	9	4	11
VIDEO CAMERA	6480	5	5647	5	6	4	4	6	4	7	6	4	1	5	2	9	7	6	7	6	9

Source: Reader's Digest Eurodata, 1991.

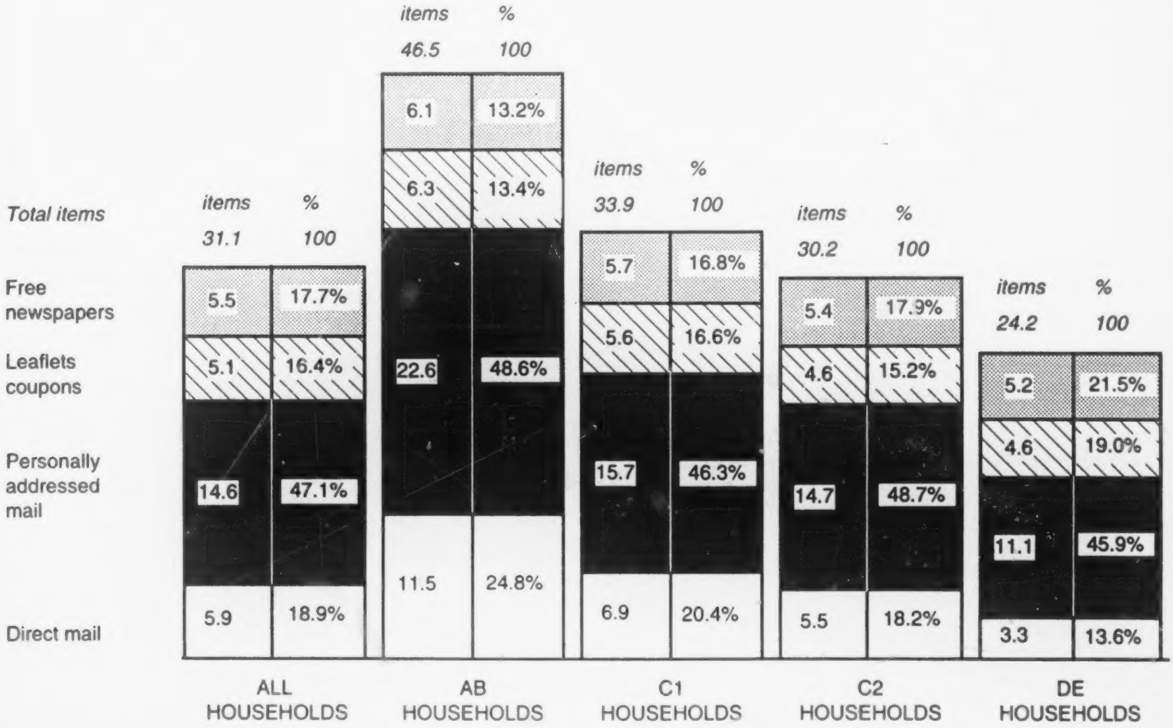
THE CONSUMER LETTERBOX

Receipt is shown in relation to socio-economic group. It can be seen that some groups are targeted with greater frequency than others. AB households are considered wealthier than other groups, as a result they are sent more direct mail (11.5 items per household per month compared to the average 5.9 items).

Correspondingly, DE households receive less direct mail as they are considered to have smaller disposable incomes.

EUROPEAN HOUSEHOLD RECEIPT OF DIRECT MAIL

AVERAGE FOUR WEEKLY RECEIPT 1990



Source: Royal Mail Consumer Panel, 1991.

SENDERS OF EUROPEAN CONSUMER DIRECT MAIL, 1990

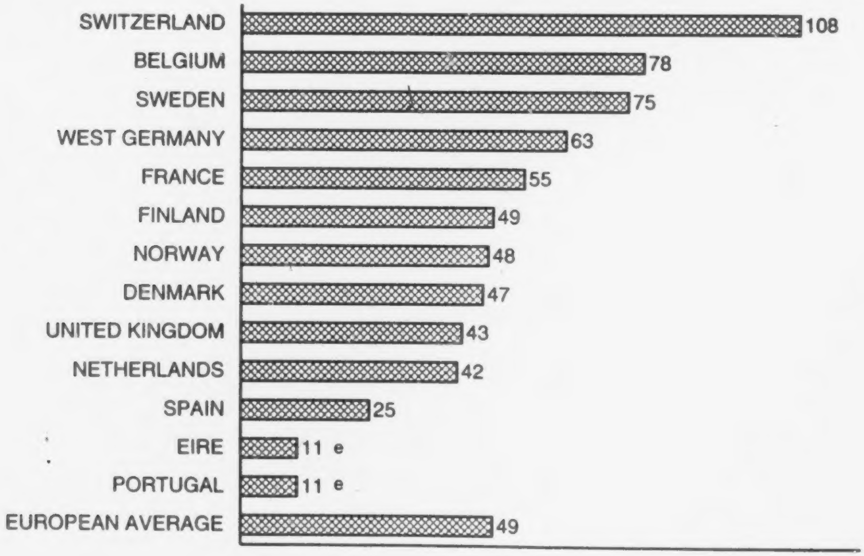
Overall, 9.5 percent of direct mail is sent as a result of a request by consumers. Some sectors have significantly more of the direct mail they send requested by consumers than others. One example of this is estate agents who send 45.6 percent of their direct mail upon request from consumers.

	Percentage of Volume	Percentage Requested
Mail Order	24.3	7.0
Insurance	9.1	3.8
Credit Card	4.7	1.7
Bank/Girobank	7.2	2.9
Building Society	3.3	3.4
Retailer	6.7	10.8
Magazine	6.8	8.4
Travel	4.8	24.7
Estate Agent	1.7	45.6
Manufacturer	4.8	17.9
Book Club	3.9	10.0
Charity	5.8	7.7
Gas/Electricity Board	3.3	4.4
Entertainment	1.2	41.6
Film Co.	0.8	3.6
Others	11.6	12.4
TOTAL	**100.0**	**9.5**

Source: Royal Mail Consumer Panel, 1991.

EUROPEAN RECEIPT OF DIRECT MAIL PER HEAD OF POPULATION

Direct mail in many European countries is well established as an advertising medium. As the chart shows there are considerable differences in the amount of direct mail received across the continent.



e = estimate

Source: Royal Mail Consumer Panel, 1991.

• USPS INFORMATION

TRENDS

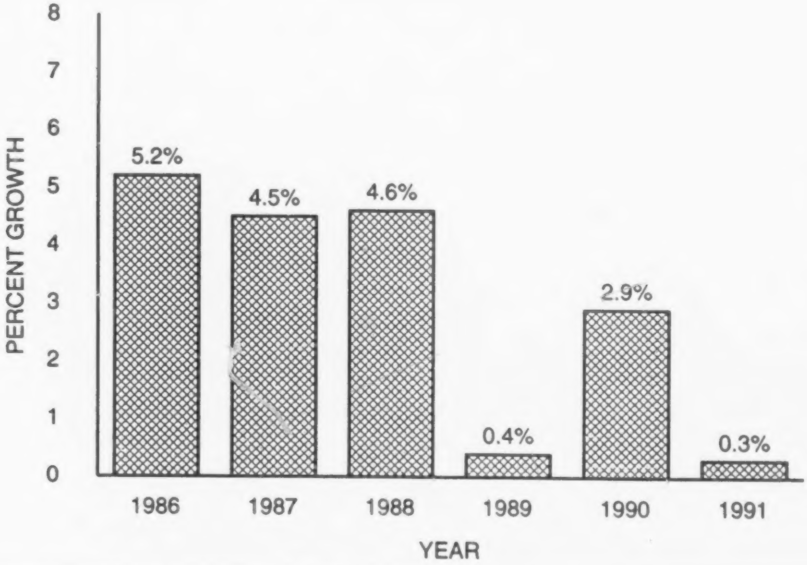
VOLUME OF MAIL: 1990–1991
(IN BILLIONS)

MAIL CLASSIFICATION	1991	1990	PERCENT CHANGE 1990–91
FIRST-CLASS	90.28	89.27	1.1
SECOND-CLASS	10.40	10.68	-2.6
THIRD-CLASS	62.43	63.73	-2.0
FOURTH-CLASS	0.70	0.66	4.9
INTERNATIONAL	0.79	0.80	-0.7
U.S. POSTAL SERVICE	0.61	0.54	13.8
ALL OTHER	0.64	0.63	1.6
TOTAL MAIL	165.85	166.31*	-0.3

*Rounding the various classes of mail causes the total volume figure to exceed the Fiscal Year annual mail volume of 166.30 billion pieces.

Source: Annual Report of the Postmaster General, USPS, 1991.

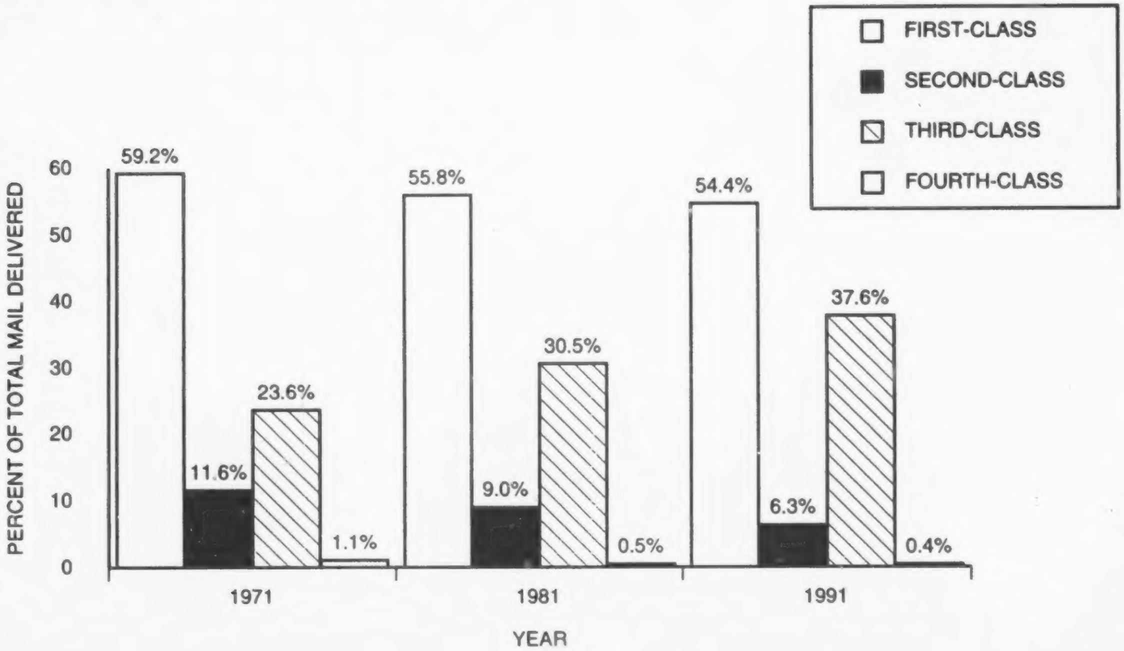
TOTAL DOMESTIC MAIL VOLUME GROWTH RATE: 1986–1991



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

MAIL VOLUME BY CLASS: 1971, 1981, 1991

PERCENTAGE OF TOTAL MAIL DELIVERED*



*Percentages do not total 100% because priority mail, express mail, mailgram, and international mail figures, which are included in total mail revenue figures, are not shown.

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

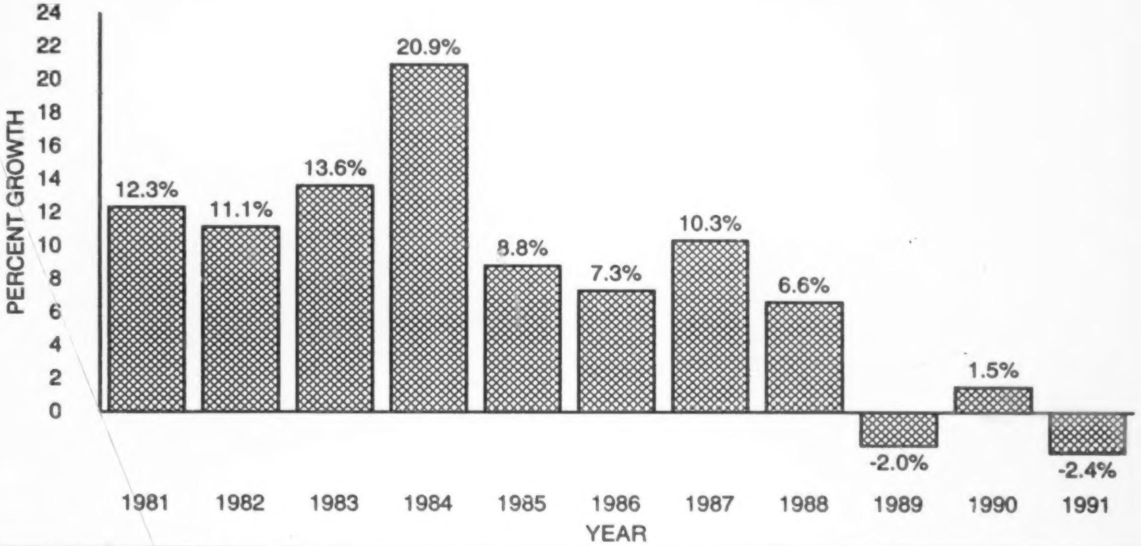
VOLUME OF THIRD CLASS MAIL 1990–1991

(POSTAL FISCAL YEARS: OCT. 1–SEPT. 30; IN THOUSANDS)

	1990	1991	% CHANGE 1990–91
SINGLE PIECE RATE	188,303	207,759	10.3
BULK RATE			
BASIC	10,138,678	8,218,508	-18.9
CARRIER ROUTE	27,585,672	27,300,268	-1.0
5-DIGIT	13,784,198	14,747,855	7.0
REGULAR RATE TOTAL	51,508,548	50,266,630	-2.4
TOTAL NON-PROFIT	12,028,259	11,955,506	-0.6
TOTAL THIRD CLASS	63,725,110	62,429,896	-2.0

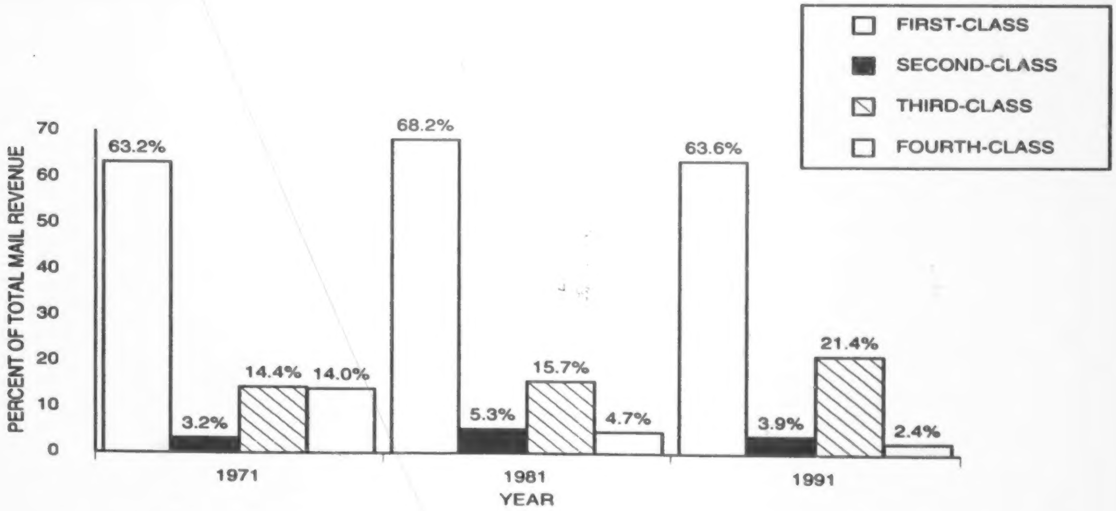
Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services for Fiscal Year, 1991

BULK-RATE REGULAR VOLUME GROWTH RATE: 1981–1991
PERCENT CHANGE FOR EACH YEAR



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

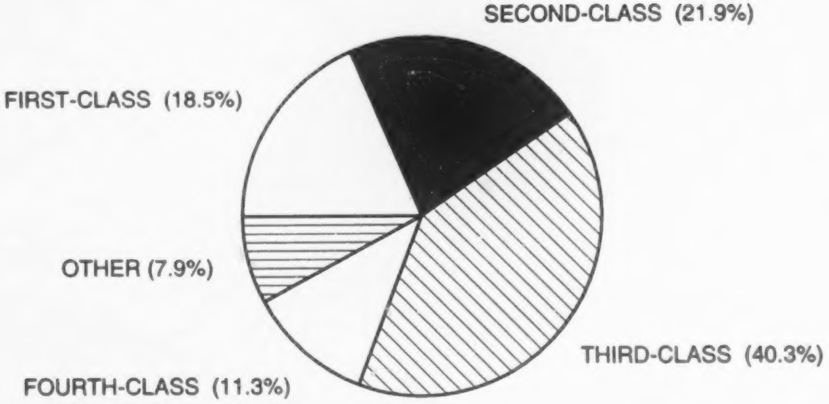
DOMESTIC MAIL REVENUE BY CLASS*: 1971, 1981, 1991
PERCENTAGE OF TOTAL MAIL REVENUE



*Percents do not add up to 100% because priority mail, express mail, mailgram, and international mail figures, which are included in total mail revenue figures, are not shown.

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

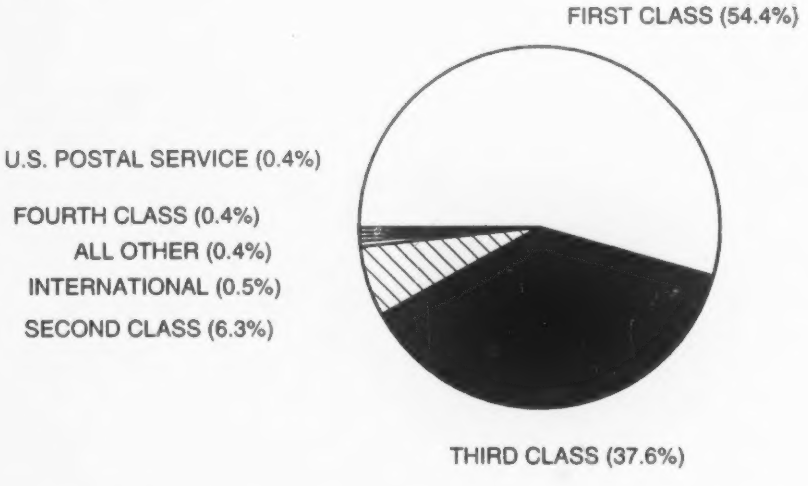
PERCENT WEIGHT OF MAIL BY CLASS



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

COMPOSITION OF MAIL

FISCAL YEAR 1991
(Percentage of total volume by class)



Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

THIRD-CLASS PRESORT MAIL REVENUE BULK RATE (REGULAR)

Fiscal Year	Total (000,000)	Basic (000,000)	Five Digit (000,000)	Carrier Route (000,000)
1980	1,908	1,405	—	503
1981	2,104	1,155	228	721
1982	2,667	1,039	484	1,144
1983	3,039	1,053	568	1,418
1984	3,541	1,142	673	1,726
1985	4,136	1,341	756	2,039
1986	4,670	1,549	886	2,235
1987	5,112	1,671	1,017	2,425
1988	6,056	1,844	1,309	2,903
1989	6,769	1,764	1,771	3,234
1990	6,935	1,853	1,963	3,119
1991	7,647	1,714	2,477	3,455

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

THIRD-CLASS PRESORT MAIL REVENUE BULK RATE (NON-PROFIT)

Fiscal Year	Total (000,000)	Basic (000,000)	Five Digit (000,000)	Carrier Route (000,000)
1980	259	256	—	3
1981	301	272	13	16
1982	425	318	74	33
1983	443	310	90	43
1984	497	331	112	55
1985	561	366	128	67
1986	743	458	179	106
1987	836	496	209	131
1988	860	498	238	123
1989	899	463	294	142
1990	909	447	318	144
1991	1,052	447	432	172

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

THIRD-CLASS MAIL VOLUME BULK RATE (REGULAR)

Fiscal Year	Total (000,000)	Basic (000,000)	Five Digit (000,000)	Carrier Route (000,000)
1980	21,997	14,797	—	7,018
1981	24,706	11,636	2,528	10,542
1982	27,452	8,791	4,919	13,742
1983	31,186	8,813	5,675	16,698
1984	37,699	9,559	6,748	21,392
1985	41,026	10,429	7,190	23,407
1986	44,006	11,629	8,203	24,174
1987	48,553	12,505	9,304	26,744
1988	50,552	11,921	10,361	28,270
1989	50,731	9,657	12,366	28,708
1990	51,509	10,139	13,784	27,586
1991	50,266	8,218	14,747	27,300

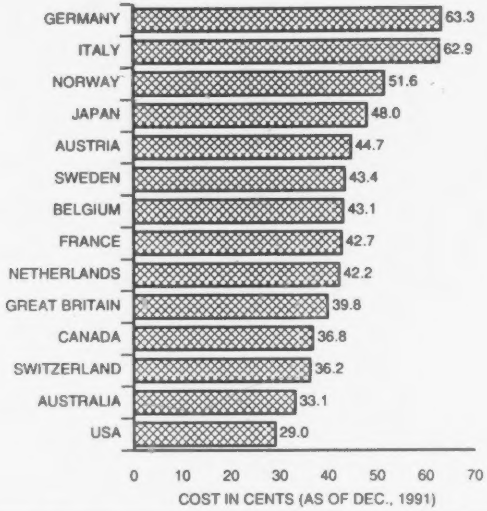
Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

THIRD-CLASS MAIL VOLUME BULK RATE (NON-PROFIT)

Fiscal Year	Total (000,000)	Basic (000,000)	Five Digit (000,000)	Carrier Route (000,000)
1980	7,964	7,875	—	89
1981	8,566	7,775	435	357
1982	9,064	6,169	1,768	1,127
1983	9,381	5,950	2,099	1,332
1984	10,372	6,215	2,529	1,628
1985	10,976	6,314	2,724	1,938
1986	10,888	5,936	2,811	2,141
1987	11,022	5,735	2,922	2,365
1988	11,249	5,791	3,213	2,246
1989	11,857	5,399	3,838	2,620
1990	12,028	5,211	4,150	2,667
1991	11,955	4,364	4,831	2,759

Source: USPS: Revenue, Pieces and Weight by Classes of Mail and Special Services, 1991.

FIRST-CLASS MAIL RATES IN INDUSTRIALIZED COUNTRIES
FOR ONE OUNCE FIRST-CLASS LETTER
(IN U.S. CURRENCY, AS OF DECEMBER 1991)



Source: USPS Annual Report of the Postmaster General, 1991.

BRIEF HISTORY OF SELECTED POSTAL RATES 1960–1989

3RD CLASS BULK (BEFORE PRESORT PROGRAM INITIATED)				
YEAR	EFFECTIVE DATE*	REGULAR BULK MIN. PER PIECE	EFFECTIVE DATE	NON PROFIT MIN. PER PIECE
	1/1/59	2¢	1/1/59	1¢
1960	7/1/60	2.5¢	7/1/60	1.25¢
1961		2.5¢		1.25¢
1962		2.5¢		1.25¢
1963	1/7/63	2.625¢		1.25¢
1964	1/1/64	2.75¢		1.25¢
1965	1/1/65	2.875¢		1.25¢
1966		2.875¢		1.25¢
1967		2.875¢		1.25¢
1968	1/7/68	3.6¢	1/7/68	1.4¢
1969	7/1/69	3.8/4.0¢*	7/1/69	1.6¢
1970		3.8/4.0¢*		1.6¢
1971	5/16/71	4.04/4.2¢*	5/16/71	1.7¢
1972	3/12/72	5.0¢		
	7/6/72	4.85/5.0¢*		1.7¢
1973		4.8/5.0¢*		1.7¢
1974	3/2/74	6.1/6.3¢*	7/6/74	1.8¢
1975	12/31/75	7.7/7.9¢*		1.8¢
1976	7/6/76	7.7/7.9¢*	7/6/76	1.9¢
	7/18/76	7.5/7.7¢*	7/18/76	2.0¢
1977		7.5/7.7¢*	7/6/77	2.1¢
1978	5/29/78	8.4¢	5/29/78	2.4¢
			7/6/78	2.7¢
1979			7/6/79	3.1¢

* = 1st 250M pieces per year at initial figure

Source: Direct Marketing Association, 1989.

3RD CLASS MIN. PER PIECE

(BY PRESORT CATEGORY BEGINNING 1979)

YEAR	BULK RATE REGULAR EFFECTIVE DATE	CARRIER ROUTE	FIVE DIGIT	ALL OTHER
1979		6.7¢	n/a	8.4¢
1981	3/22/81	6.4¢	8.8¢	10.4¢
1981	11/1/81	7.9¢	9.3¢	10.9¢
1983	5/22/83	7.4¢	9.3¢	11.0¢
1985	2/17/85	8.3¢	10.1¢	12.5¢
1988	4/3/87	10.1¢	13.2¢	16.7¢
1991	2/3/91	(See new rate structure on the following page)		
	NON-PROFIT			
1980	7/6/80	3.2¢	n/a	3.5¢
1981	7/6/81	1.9¢	2.9¢	3.8¢
1982	1/10/82	4.0¢	5.0¢	5.9¢
1982	7/24/82	3.0¢	4.0¢	4.9¢
1983	1/9/83	3.3¢	4.3¢	5.2¢
1985	2/17/85	3.4¢	4.9¢	6.0¢
1986	1/1/86	4.8¢	6.3¢	7.4¢
1986	3/9/86	5.7¢	7.2¢	8.7¢
1986	4/20/86	5.5¢	7.1¢	8.5¢
1988	4/3/88	5.3¢	7.6¢	8.4¢
1991	2/3/91	(See new rate structure on the following page)		

4TH CLASS PARCEL POST LOCAL (ZONES 1,2,3)

YEAR	EFFECTIVE DATE	PER PC.	PER LB. (1-5)
1960	2/1/60	20¢	+2¢
1963	4/1/64	25¢	+2¢
1965	1/15/67	25¢	+2¢
1966		25¢	+2¢+10¢ to nearest 5 or 10¢
1968	10/19/68	45¢	+2¢– to nearest 5¢

YEAR	EFFECTIVE DATE	PER LB. (UP TO 2 LBS.)
1970	11/14/70	60¢
1974	3/2/74	61¢
1975	9/14/75	67¢
	12/31/75	77¢
1978	5/29/78	$1.15
1981	3/22/81	$1.38
1985	2/17/85	$1.41
1988	4/3/88	$1.43
1991	2/3/91	$1.74

YEAR	1ST CLASS 1ST OZ.	
	EFFECTIVE DATE	PER PIECE
1960	8/1/58	4¢
1963	1/7/63	5¢
1968	1/7/68	6¢
1971	5/16/71	8¢
1974	3/2/74	10¢
1975	12/31/75	13¢
1978	5/29/78	15¢
1981	3/22/81	18¢
1981	11/1/81	20¢
1985	2/17/85	22¢
1988	4/3/88	25¢
1991	2/3/91	29¢

YEAR	3RD CL. SINGLE PIECE 1ST 2 OZS.	
	EFFECTIVE DATE	PER PIECE
1960	8/1/58	3¢
1963	1/7/63	4¢
1968	1/7/68	6¢
1971	5/16/71	8¢
1974	3/2/74	10¢
1975	12/31/75	13¢
1976	7/18/76	14¢
1978	5/29/78	20¢
1981	3/22/81	18¢
1981	11/1/81	20¢
1985	2/17/85	22¢
1988	4/3/88	25¢
1991	2/3/91	29¢

Source: Compiled by Direct Marketing Association, Inc. 1991.

NUMBER OF THIRD-CLASS MAIL ATTRIBUTED TO DIRECT MAIL 1977–1981
(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Third Class Single D. Mail = 95%	Third Class Bulk D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1977	612,518	17,138,794	6,825,799	84,998	24,662,109	23,433,253
Total DM	581,892	16,281,854	6,484,509	84,998		

	Third Class Single D. Mail = 95%	Third Class Bulk D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1978	539,724	18,684,430	7,020,146	85,431	26,329,731	25,017,517
Total DM	512,738	17,750,209	6,669,139	85,431		

	Third Class Single D. Mail = 95%	Third Class Bulk-Regular D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class Non-Profit D. Mail = 95%	Catalog* D. Mail = 100%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1979	444,871	15,509,303	4,492,980	7,552,602	104,087	28,103,843	26,703,855
Total DM	422,627	14,733,838	4,268,331	7,174,972	104,087		
Total 1980	410,959	14,583,864	6,999,788	8,068,948	116,434	30,179,993	28,676,815
Total DM	390,411	13,854,671	6,649,799	7,665,500	116,434		

	Third Class Single D. Mail = 95%	Third Class Bulk-Regular D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class 5-Digit Presort D. Mail = 95%	Third-Class Non-Profit D. Mail = 95%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1981	335,168	11,636,430	10,541,579	2,527,621	8,566,607	33,607,405	31,927,034
Total DM	318,410	11,054,608	10,014,500	2,401,239	8,138,277		

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*In 1981, the USPS discontinued reporting the catalog figure as a separate category. Since then this figure has been included partially in third and fourth class bound-printed matter figures.

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

NUMBER OF NON-THIRD-CLASS MAIL PIECES ATTRIBUTED TO DIRECT MAIL 1977–1981

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	First Class D. Mail = 20%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 15%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1977	58,827,034	199,487	28,562	684,899	59,739,982	10,813,910
Total DM	10,765,407	9,974	4,284	34,245		

	First Class D. Mail = 10%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 95%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1978	54,557,218	213,329	32,504	718,935	55,521,986	5,507,211
Total DM	5,455,722	10,666	4,876	35,947		

	First Class D. Mail = 10%	Priority Mail D. Mail = 5%	Mailgrams D. Mail = 15%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1979	58,215,317	231,835	37,989	755,674	59,240,815	5,886,606
Total DM	5,831,532	11,592	5,698	37,784		
Total 1980	58,993,087	252,864	39,452	733,832	60,019,235	5,954,562
Total DM	5,899,309	12,643	5,918	36,692		

	First Class D. Mail = 10%	Fourth Class Bound Printed Matter D. Mail = 85%	Int'l Mail D. Mail = 5%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1981	61,410,172	118,675	885,509	62,414,356	6,280,232
Total DM	6,141,017	94,940	44,275		

NOTE: Priority Mail and Mailgram figures are not reported after 1980 because the volume of DM pieces is not a substantial portion.

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1977–1981.

NUMBER OF THIRD-CLASS PIECES ATTRIBUTED TO DIRECT MAIL 1982–1991

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Third Class Single D. Mail = 95%	Third Class Bulk-Basic D. Mail = 95%	Third Class Bulk-Carrier Presort D. Mail = 95%	Third Class 5-Digit Presort D. Mail = 95%	Third-Class Non-Profit D. Mail = 95%	Total USPS 3rd Class Pieces	Total 3rd Class D. Mail Pieces
Total 1982	203,350	8,791,167	13,742,551	4,918,628	9,063,627	36,719,323	34,888,358
Total DM	198,183	8,351,609	13,055,423	4,672,697	8,610,446		
Total 1983	167,990	8,812,930	16,698,070	5,674,653	9,381,076	40,734,719	38,697,984
Total DM	159,591	8,372,284	15,863,167	5,390,920	8,912,022		
Total 1984	173,316	9,559,199	21,391,900	6,747,731	10,371,568	48,248,714	45,836,278
Total DM	169,400	9,081,239	20,322,305	6,410,344	9,852,990		
Total 1985	168,355	10,428,865	23,407,236	7,189,668	10,976,133	52,170,257	49,561,744
Total DM	159,937	9,907,422	22,236,874	6,830,185	10,427,326		
Total 1986	155,158	11,629,416	24,173,638	8,203,177	10,887,557	55,048,946	52,296,498
Total DM	147,400	11,047,945	22,964,956	7,793,018	10,343,179		
Total 1987	158,462	12,505,514	26,743,646	9,304,063	11,021,513	59,733,198	56,746,548
Total DM	150,539	11,880,258	25,406,454	8,838,860	10,470,437		
Total 1988	210,890	12,049,160	29,209,430	10,530,842	11,249,499	63,249,821	58,662,381
Total DM	200,346	11,446,702	27,748,959	10,004,300	9,562,074		
Total 1989	191,157	9,656,996	28,707,528	12,365,993	11,857,442	62,779,116	58,454,416
Total DM	181,599	9,174,146	27,272,152	11,747,693	10,078,826		
Total 1990	188,303	10,138,678	27,585,672	13,784,198	12,028,259	63,725,110	59,336,027
Total DM	178,887	9,631,744	26,206,388	13,094,988	10,224,020		
Total 1991	207,759	8,218,508	27,300,268	14,747,855	11,955,506	62,429,896	59,308,399
Total DM	197,371	7,807,582	25,935,254	14,010,462	11,357,730		

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1982–1991.

NUMBER OF NON-THIRD-CLASS PIECES ATTRIBUTED TO DIRECT MAIL 1982–1991

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	First Class D. Mail = 7.5%	Fourth Class Bound Printed Matter D. Mail = 85%	Int'l Mail D. Mail = 2%	Total # USPS Non-3rd Class Pieces	Total # Non-3rd Class D. Mail Pieces
Total 1982	62,200,212	156,154	927,541	63,283,907	4,808,490
Total DM	4,665,016	124,923	18,551		
Total 1983	64,246,880	168,128	904,821	65,319,829	4,979,520
Total DM	4,818,516	142,908	18,096		
Total 1984	68,428,570	194,760	894,840	69,518,170	5,315,586
Total DM	5,132,143	165,546	17,897		
Total 1985	72,440,277	212,829	829,404	73,482,510	6,005,514
Total DM	5,808,021	180,905	16,588		
Total 1986	76,186,648	249,221	797,727	77,233,596	5,941,792
Total DM	5,713,999	211,838	15,955		
Total 1987	78,869,309	255,537	777,816	79,902,662	6,147,960
Total DM	5,915,198	217,206	15,556		
Total 1988	84,749,464	308,861	726,226	85,784,551	6,633,267
Total DM	6,356,210	262,532	14,525		
Total 1989	85,855,457	312,264	723,855	86,891,576	6,719,060
Total DM	6,439,159	265,424	14,477		
Total 1990	89,269,649	344,844	798,265	90,412,758	7,004,305
Total DM	6,695,223	293,117	15,965		
Total 1991	90,284,596	363,532	792,802	91,440,930	7,096,202
Total DM	6,771,344	309,002	15,856		

Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for fiscal years 1982–1991.

USPS EMPLOYEES/FACILITIES

EMPLOYEES*	1991	1990	1989	1988	1987
Headquarters—L'Enfant Plaza	2,408	2,291	2,278	2,323	2,112
Headquarters—Field Support Units	5,715	5,691	5,882	5,703	5,820
Inspection Service (Field)	4,316	4,259	4,276	4,176	4,300
Field Career Employees					
Regional Offices	559	542	431	437	432
Postmasters	27,100	26,995	27,242	27,846	27,809
Supervisors	43,801	43,458	44,793	44,401	43,297
Prof. Admin., Tech. Personnel	9,888	9,793	10,528	10,587	10,620
Clerks	280,918	290,380	300,908	304,120	303,470
Nurses	296	286	318	332	329
Mailhandlers	50,770	51,123	52,295	51,855	50,718
City Delivery Carriers	232,182	236,081	240,159	240,276	233,516
Motor Vehicle Operators	7,265	7,308	7,357	7,326	7,221
Rural Delivery Carriers & Substitutes on Vacant Routes	42,876	42,252	40,802	39,489	36,955
Special Delivery Messengers	1,870	2,012	2,142	2,191	2,256
Bldg. & Equip. Maintenance Personnel	34,166	33,323	33,348	33,119	31,713
Vehicle Maintenance Personnel	4,831	4,874	4,956	4,902	4,770
Total Career Employees	748,961	760,668	777,715	779,083	765,338
Non-Career Employees					
Casuals	25,666	26,829	21,209	32,424	14,483
Non-Bargaining Temporary	548	414	371	286	308
Rural Subs/RCA/RCR/AUX	44,020	43,373	42,355	41,122	38,987
PM Relief/Leave Replacements	12;198	11,979	11,902	11,987	11,675

OFFICES, STATIONS AND BRANCHES	1991	1990	1989	1988	1987
Number of Post Offices	28,912	28,959	29,083	29,203	29,319
Number of Stations and Branches:					
Classified Stations and Branches	5,029	5,008	4,958	4,957	4,910
Contract Stations and Branches	4,427	4,397	4,297	4,294	4,087
Community Post Offices	1,617	1,703	1,693	1,663	1,714
Total	11,073	11,108	10,948	10,914	10,711
Grand Total	39,985	40,067	40,031	40,117	40,030

*Complement data have been revised to conform with current method of counting career on-rolls employees using On-Rolls and Paid Employees statistics database.

Source: Annual Report of the Postmaster General, USPS, 1991.

TOTAL NUMBER OF MAIL PIECES (ALL CLASSES) ATTRIBUTED TO DIRECT MAIL 1977–1991

(POSTAL FISCAL YEAR = OCT. 1—SEPT. 30)
(IN THOUSANDS)

	Total # USPS Pieces	Total # D.Mail Volume Pieces	Percentage of Total Mail Volume Attributed to Direct Mail
Total 1977	84,402,091	34,247,163	40.6%
Total 1978	81,851,717	30,524,728	37.3%
Total 1979	87,344,658	32,590,461	37.3%
Total 1980	90,199,228	34,631,377	38.4%
Total 1981	90,021,761	38,207,266	39.8%
Total 1982	100,003,230	39,696,848	39.7%
Total 1983	106,054,548	43,677,504	41.2%
Total 1984	117,766,884	51,151,864	43.4%
Total 1985	125,652,767	55,567,258	44.2%
Total 1986	132,282,542	58,238,290	44.0%
Total 1987	139,635,860	62,694,702	45.0%
Total 1988	149,034,372	65,595,648	44.0%
Total 1989	149,670,692	58,454,416	39.1%
Total 1990	154,137,868	66,340,332	43.0%
Total 1991	153,870,826	66,404,601	43.2%

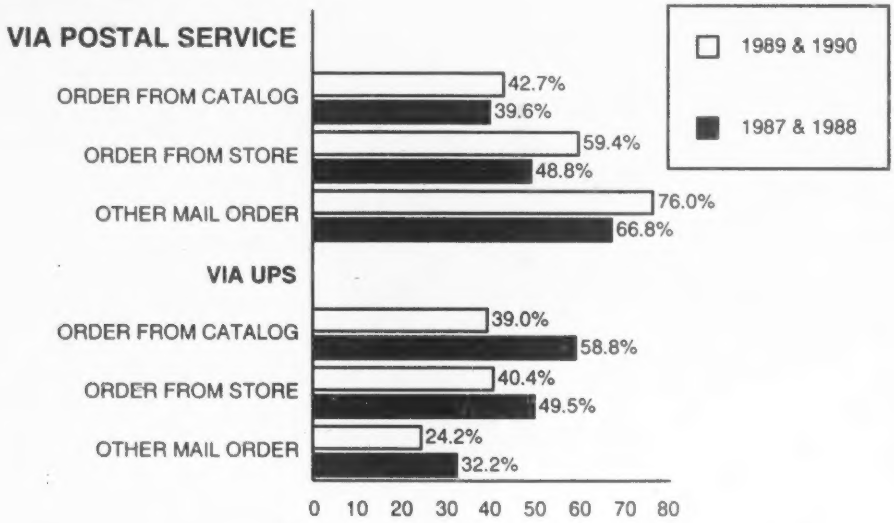
Source: DMA/USPS Revenue, Pieces and Weight by Classes of Mail and Special Services for Fiscal Years 1977-1991.

MAJOR USERS OF THIRD-CLASS BULK REGULAR
(PERCENTAGE OF TOTAL THIRD-CLASS BULK REGULAR)

INDUSTRY	1987	1988	1989	1990
Mail Order	12.0	13.3	14.0	13.1
Department Store	11.1	11.2	12.5	11.3
Publisher	10.1	10.7	11.5	11.2
Detached Label	5.8	6.0	6.2	6.8
Specialty Stores	6.8	6.7	6.3	6.2
More than One Organization	4.2	3.1	3.8	3.4
Insurance Companies	2.8	2.5	2.4	2.2
Credit Card Companies	2.2	2.3	2.4	2.2
Supermarket	2.3	2.3	2.3	1.8
Other	16.4	17.2	18.0	17.0
TOTAL THIRD BULK REGULAR SENT TO HOUSEHOLDS	**73.7**	**75.3**	**79.4**	**75.2**

Source: USPS Household Diary Study, 1991.

PACKAGES RECEIVED BY CARRIER



Source: USPS Household Diary Study, 1991.

CURRENT POSTAL RATES

	Current Rate (cents)
First Class	
Letters, Flats, Small Parcels	
First ounce	
Unpresorted	29.0
3/5-Digit Presort	24.8
Carrier Route Presort	23.0
125 Piece Walk Sequence	22.7
Saturation	22.3
Additional Ounces	23.0
Cards	
Basic Rate	19.0
3/5-Digit Presort	17.0
Carrier Route Presort	15.2
125 Piece Walk Sequence	14.9
Saturation	14.5
ZIP+4 Letters	
First ounce	
Unpresorted	27.6
Unpresorted/Prebarcoded	27.0
3/5-Digit Presort	24.2
3-Digit Presort/Prebarcoded	23.9
5-Digit Presort/Prebarcoded	23.3
ZIP+4 Cards	
Unpresorted	18.0
Unpresorted/Prebarcoded	17.7
3/5-Digit Presort	16.4
3-Digit Presort/Prebarcoded	16.1
5-Digit Presort/Prebarcoded	15.5
Business Reply Fees	
Advance Deposit	
Basic Rate	9.0
Prebarcoded	2.0
Other Business Reply	40.0
Priority Mail	$2.90-$75.35
Express Mail	$8.35-$91.60

Second Class

In-County		
Per Pound		10.6-11.6
Per Piece		4.0-7.7
Outside		
Non-Profit	Per Pound	10.6-35.0
	Per Piece	5.3-16.9
Classroom	Per Pound	10.6-35.0
	Per Piece	5.3-16.9
Regular Rate	Per Pound	14.7-36.7
	Per Piece	6.9-20.1

Third Class

Single Piece		$0.29-$1.79
Regular Bulk	**Letters**	**Flats**
Minimum Piece Rate		
Required Presort		
Basic	19.8	23.3
ZIP+4	18.9	N/A
Prebarcoded	17.9	N/A
Prebarcoded (flats/basic)	N/A	20.8
3/5-Digit Presort	16.5	18.7
3/5-Digit ZIP+4	16.1	N/A
3/5-Digit Prebarcoded (flats)	N/A	21.6
3-Digit Prebarcoded	15.4	N/A
5-Digit Prebarcoded	14.6	N/A
Carrier Route Presort	13.1	14.2
125 Piece Walk Sequence	N/A	13.7
Saturation	12.4	12.7
Pound Rate	N/A	60.0
Plus Per Piece:		
Required Presort	N/A	10.9

Third Class

Regular Bulk (cont'd)	Current Rate (cents) Letters	 Flats
3/5-Digit Presort	N/A	6.3
Carrier Route	N/A	1.8
125 Piece Walk Sequence	N/A	1.3
Saturation	N/A	0.3
Non-Profit Bulk		
Minimum Piece Rate		
Required Presort		
Basic	11.4	16.4
ZIP+4	10.4	N/A
Prebarcoded (letters)	9.4	N/A
Prebarcoded (flats/basic)	N/A	13.9
3/5-Digit Presort	9.8	15.0
3/5-Digit ZIP+4	9.4	N/A
5-Digit Prebarcoded (flats)	N/A	14.7
3-Digit Prebarcoded	8.8	N/A
5-Digit Prebarcoded	8.1	N/A
Carrier Route Presort	7.4	11.9
125 Piece Walk Sequence	N/A	11.7
Saturation	7.1	11.2
Pound Rate	N/A	34.1
Plus Per Piece:		
Required Presort	N/A	5.4
3/5-Digit Presort	N/A	4.0
Carrier Route	N/A	0.9
125 Piece Walk Sequence	N/A	0.7
Saturation	N/A	0.2

Third Class Drop Ship Discounts (Regular and Non-Profit):

Piece Rate Mail (Per Piece)
BMC: 1.2 cents; SCF: 1.7 cents; Delivery Office: 2.2 cents
Pound Rate Mail (Per Pound)
BMC: 5.8 cents; SCF: 8.1 cents; Delivery Office: 10.4 cents

PRC Recommended Break Point: 3.3067 ounces.
Non-Profit: 3.3314 ounces.

Definition of a Letter:
"Letter" size pieces are between 5 and 11-1/2 inches in length, 3-1/2 and 6-1/8 inches in height, and 0.007 and 1/4 inches in thickness. Also, when their length is divided by their height, the resulting ratio must range from 1.3 to 2.5. Third-class pieces not meeting any of these requirements are designated as non-letters, or flats.

Fourth Class

	Current Rate (cents)
Parcel Post	$1.74-$32.25
Bound Printed Matter	
Single Piece	$0.93-$4.95
Bulk	$0.41-$4.20
Special Rate	
First Pound	
Unpresorted	$1.05
Level A Presort	59.0
Level B Presort	88.0
Additional Pounds	
To 7 Pounds	43.0
Over 7 Pounds	25.0
Library Rate	
First Pound	65.0
Additional Pounds	
To 7 Pounds	24.0
Over 7 Pounds	12.0
Address Corrections	
Per manual correction	35.0
Per automated correction	20.0

Source: Direct Marketing Association, 1991.

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Advertising Age
Crain Communications
740 N. Rush St.
Chicago, IL 60611
(312)649-5260

Alpert O'Neil Tigre & Co.
114 Lancaster Ave.
Mt. Gretna, PA 17064
(717)964-3543

Association of American Publishers
220 East 23rd St.
New York, NY 10010
(212)689-8920

AT&T
295 North Maple Ave.
Basking Ridge, NJ 07920
(201)221-6166

Bank Marketing Association
309 W. Washington St.
Chicago, IL 60606
(312)782-0321

Beta Research Corporation
6400 Jericho Turnpike
Syosset, NY 11791
(516)935-3800

Business Marketing
Crain Communications
740 N. Rush St.
Chicago, IL 60611
(312)649-5260

Cable Television Advertising Bureau, Inc.
757 Third Ave.
New York, NY 10017
(212)751-7770

Canadian Direct Marketing Association
1 Concorde Gate
Don Mills, Ontario M3C 3N6
Canada
(416)391-2362

Capell's Circulation Report
Whitaker Newsletters, Inc.
313 South Avenue
P.O. Box 340
Fanwood, NJ 07023
(908)889-6336

Catalog Age
Six River Bend
911 Hope St.
Stamford, CT 06905
(203)358-9900

CMP Direct Marketing Services
600 Community Drive
Manhasset, NY 11030
(516)562-5000

Council of Better Business Bureaus
4200 Wilson Blvd.
Arlington, VA 22203
(703)276-0100

Council of Logistics Management
2803 Butterfield Rd
Suite 380
Oak Brook, IL 60521
(708)574-0985

Crandall Associates
114 East 32nd St.
New York, NY 10016
(212)213-1700

CSC Index Group
5 Cambridge Center
Cambridge, MA 02142
(617)492-1500

Deloitte & Touche
1633 Broadway
New York, NY 10019
(212)492-2600

Direct Mail Information Service
5 Carlisle St.
London W1V 5RG
England
071-494-0483

Direct Magazine
Six River Bend
911 Hope St.
Stamford, CT 06905
(203) 358-9900

Direct Marketing Association (U.K.) Ltd.
Grosvenor Gardens House
35 Grosvenor Gardens
London SW1W OBS
England
071-630 7322/0361

The Direct Marketing Group
477 Madison Ave.
New York, NY 10022
(212)355-2530

Direct Marketing Research Associates
4151 Middlefield Rd.
Suite 200
Palo Alto, CA 94303
(415)856-9988

Direct Media, Inc.
200 Pemberwick Rd.
Greenwich, CT 06830
(203)532-1000

Donnelley Marketing
70 Seaview Ave.
P.O. Box 10250
Stamford, CT 06904
(203)353-7000

Entertainment Marketing Letter
EPM Communications, Inc.
488 East 18th St.
Brooklyn, NY 11226
(718)469-9330

Equifax, Inc.
1600 Peachtree St.
Atlanta, GA 30302
(404)885-8657

SOURCE CONTACT INDEX

Fenvessy Consulting
110 East 59th St.
New York, NY 10022
(212)755-5050

Folio Magazine
Six River Bend
911 Hope St.
Stamford, CT 06905
(203)358-9900

FORTUNE Magazine
1271 Avenue of the Americas
New York, NY 10020
(212)522-1212

David Foster & Associates
360 Hayward Ave.
Mt. Vernon, NY 10052
(914)699-9414

Gerstman + Meyers
111 W. 57th St.
New York, NY 10019
(212)586-2535

Incentive Magazine
633 Third Ave.
New York, NY 10017
(212)986-4800

Information Authorities, Inc.
P.O. Box 263
Hastings on Hudson, NY 10706
(914)476-5734

International Customer Service Association
401 N. Michigan Ave.
Chicago, IL 60611
(312)321-6800

F. Johnson Associates
37 Catoonah St.
Ridgefield, CT 06877
(203)438-5351

Journal of Services Marketing
Grayson Associates
108 Loma Media Rd.
Santa Barbara, CA 93103
(805)564-1313

The Kleid Company, Inc.
530 Fifth Ave.
New York, NY 10036
(212)819-3400

Life Insurance Market Research Association
Box 208
Hartford, CT 06141
(203)677-0033

Link Resources
79 Fifth Avenue
New York, NY 10003
(212)627-1500

Magazine Publishers of America
575 Lexington Ave.
New York, NY 10022
(212)888-4217

Marketing Logistics
1460 Cloverdale Ave.
Highland Park, IL 60035
(708)831-1575

MATRIXX Marketing
MATRIXX Center
Suite 400
4600 Montgomery Rd.
Cincinnati, OH 45212
(513)841-1199

McCann/Erickson
485 Lexington Ave.
New York, NY 10017
(212)697-6000

McGraw-Hill Research
1221 Avenue of the Americas
New York, NY 10020
(212)521-2000

Myers Marketing & Research
322 Route 46 West
Suite 130
Parsippany, NJ 07054
(201)808-7333

National Marketing Intelligence Service
370 Marie Court
East Meadow, NY 11554
(516)735-1680

NCH Promotional Services
75 Tri-State International
Suite 400
Lincolnshire, IL 60069
(708)317-5500

New England Mail Order Association
92 Main St., #104
Deep River, CT 06417
(203)526-1406

Newspaper Advertising Bureau
1180 Avenue of the Americas
New York, NY 10036
(212)921-5080

NTC Business Books
Successful Telemarketing
4255 West Touhy Ave.
Lincolnwood, IL 60646
(708)679-5500

Reader's Digest Association, Inc.
Reader's Digest Road
Pleasantville, NY 10570
(914)238-1000

Recording Industry Association of America
1020 Nineteenth St, NW
Suite 200
Washington, DC 20036
(202)775-0101

Simmons Market Research Bureau
420 Lexington Ave.
New York, NY 10170
(212)916-8900

Society of Consumer Affairs Professionals
(SOCAP)
801 North Fairfax St., 4th Floor
Alexandria, VA 22314
(703)519-3700

Strategic Telemedia
P.O. Box 1162
Old Chelsea Station
New York, NY 10011
(800)365-VOICE

Summary Scan!
Div. of Advertising Checking Bureau
165 N. Canal St.
Chicago, IL 60606
(312)648-0500

TARP
1600 Wilson Blvd., Suite 1400
Arlington, VA 22209
(703)524-1456

Tek Direct
Tektronix Inc.
P.O. Box 500
M/S 39-331
Beaverton, OR 97077
(503)627-2852

Teleconnect Magazine
12 W. 21st St.
New York, NY 10010
(212)691-8215

Telemarketing Magazine
One Technology Plaza
Norwalk, CT 06854
(203)852-6800

Unity Fashions
4113 Park Ave., Suite 1B
Union City, NJ 07087
(201)864-9017

U.S. Department of Commerce
Bureau of the Census
Washington, DC 20233
(301)763-5299

USPS Household Diary Study
Rates & Classification Dept.
475 L'Enfant Plaza, SW, Room 7142
Washington, DC 20260
(202)268-2675

Veronis, Suhler & Associates
350 Park Ave.
New York, NY 10022
(212)935-4990

Walker Research
3939 Priority Way
South Drive
Indianapolis, IN 46240
(317)843-3939

Direct Marketing Association, Inc.
11 West 42nd Street
New York, NY 10036-8096
212-768-7277